Statistics of Income

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SOI BULLETIN

Department of the Treasury
Internal Revenue Service

Volume 6, Number 1 Summer 1986

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Publication 1136 (Rev. 7-86)

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Statistics of Income

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Department of the Treasury
Internal Revenue Service

Publication 1136 (Rev. 7-86)

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The SOI Bulletin provides the earliest published annual financial statistics from various types of tax and information returns filed with the Internal Revenue Service. It also includes information from periodic or special analytical studies of particular interest to tax administrators. In addition, historical data are provided for selected types of taxpayers, as well as the gross internal revenue collections and other tax related items.

Information on the availability of additional unpublished data concerning the topics in this issue may be obtained by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service,, Washington, DC 20224.

In addition, special Statistics of Income tabulations based on income tax returns can be produced upon request on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics of Income Division, at the address shown above.

Ralph B. Bristol, Jr., Chief, Tax Statistics, Office of Tax Analysis performed the overall policy review and provided comments. For this issue, he was assisted by Lowell Dworin, Marcia D. Field, John Hakken and Susan Nelson. Robert A. Wilson and Bettye Jamerson were the technical editors of the publication. Clementine Brittain provided editorial assistance and copy preparation.

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Articles in Preparation for Upcoming Issues

— Foreign Tax Credit by Country, 1982
— Nonresident Alien Income and Tax, 1984
— Projections of Tax Return Filings, 1987-1994
— Linkage of Returns of Partnerships and Partners, 1982
— Interest Income and Deductions, 1968-1984

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Sole Proprietorship Returns, 1984 21
By Raymond Wolfe
For 1984, overall annual profits from nonfarm proprietors rose to $70.8 billion, their highest level in a decade. The increase in reported profits for 1984 was shared by proprietorships in all industrial divisions except trade.

Partnership Returns, 1984 37
By Alan Zempel
Partnerships reported a net loss of $3.5 billion for 1984. The 1984 loss, however, was much less than the $7.3 billion loss reported for 1982, in part, reflecting the reduced number of partnerships engaged in oil and gas extraction.

Demographic Characteristics of Taxpayers, 1983 57
By Bryan Musselman and Paul Grayson
According to a recent mail survey of taxpayers, 90 percent of the 1040EZ filers were under the age 35. The median age was 45.5 for the 1040 filers. The 1040EZ filers appeared to be better educated than their 1040A counterparts: almost 50 percent of the former had at least some college education compared with 32 percent of the latter.

Controlled Foreign Corporations, 1982: An Industry Focus 63
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Crude Oil Windfall Profit Tax, Third Quarter 1985 87
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For the third quarter of 1985, the reported number of barrels of domestically-produced crude oil subject to the windfall profit tax was 482 million, down from 474 million the quarter before. As a result, the tax continued its long decline, from $1.5 billion to $1.3 billion.

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NEW STATISTICAL SERVICES

(Available from Statistics of Income Division)

As part of the Statistics of Income program a series of new services is now being offered (see below). Detailed information on these statistical services can be obtained by writing to Director, Statistics of Income Division (D:R:S), Internal Revenue Service, 1111 Constitutional Avenue, N.W., Washington, DC 20224. Purchase is by check made payable to the IRS Accounting Section.

Studies of International Income and Taxes – Price $45.00

Purchase price includes a 516-page document for 1979-83 that presents information from 13 Statistics of Income studies in the international area, including:

- Foreign activity of U.S. corporations
- Activity of foreign corporations in the U.S.
- Foreign interests in U.S. corporations
- Statistics related to individuals, trusts, and estates
- Data presented by-- geographical area or industrial activity, as well as other classifiers

Purchasers of this service also will be provided with additional information for one year as it becomes available. The one year period for receiving additional information can be extended at a cost of $35.00 per year. A long-term subscription ($150) includes the compendium and additional information as it becomes available through August 1990. (The next compendium is scheduled for release in September 1990.)

Individual Income Tax Returns – Price $20.00

Purchase price includes a 115-page document for 1983 presenting Statistics of Income data and tables on:

- Source of income Exemptions
- Itemized deductions Tax computations
- Data presented by – size of adjusted gross income, marital status

Purchasers of this service also will be provided with preliminary 1984 and 1985 data as they become available and will be notified of future statistical releases relating to individual income tax returns.

Partnership Returns – Price $22.00

Purchase price includes a 314-page document for 1978-82 presenting previously unpublished statistics of Income data for 1980, 1981 and 1982, as well as data previously issued in other publications. Features include:

- Receipts
- Cost of sales and operations
- Limited partnerships
- Deductions
- Net income
- Capital gains
- Data presented by -- industry size of total assets State number of partners

Purchasers of this service also will be provided with data for 1983 and 1984 as they become available and will also be notified of future statistical releases relating to partnership returns.

Other Services – Price dependent on the request

- Unpublished tabulations from SOI program are available. Includes detailed tables underlying those published in SOI Bulletin.
- Special tabulations produced to user specifications.
- Public use tape files, including the Individual Tax Model (1978-83), among others. (Earlier files are available from the Machine Readable Branch (NNSR) of the National Archives, Washington, DC 20408

BUSINESS SOURCE BOOKS

(Available from Statistics of Income Division)

In addition to the Corporation Source Book, two others are now being offered by the Statistics of Income Division (see below). Information can be obtained by writing to Director, Statistics of Income Division (D:R:S) at the address above. Purchase of Source Books should be made at time of request by check payable to the IRS Accounting Section.

Corporation Source Book, 1982 – Price $175.00

This is a 481-page document that presents detailed income statement, balance sheet, tax and investment credit items by major and minor industries and size of total assets. This report is part of an annual series and can be purchased for $175 (earlier issues at $150). A magnetic tape containing the tabular statistics for 1982 can be purchased for $1,500.

Partnership Source Book – Price $30.00

This is a 291-page document showing key partnership data for 1957 through 1983, at the minor, major and division industry level. Includes an historical definition of terms and legislative changes affecting partnerships during that period. Tables feature:

- Number of partnerships
- Number of partners
- Business receipts
- Depreciation
- Taxes paid deductions
- Interest paid
- Payroll
- Payments to partners
- Net income

Purchasers of this service also will be advised of the release of subsequent years' data. A magnetic tape containing the tabular statistics can be purchased for an additional $200.

Sole Proprietorship Source Book – In preparation

This Source Book is a companion to that for partnerships, shown above. It is expected to be available later in 1986. Included will be data on:

- Number of business
- Business receipts
- Interest paid
- Depreciation
- Taxes paid deductions
- Payroll
- Net income

As with Partnerships, a magnetic tape will also be available.

OTHER PUBLICATIONS

(Available from Superintendent of Documents GPO, Washington, D.C. 20402)

The Statistics of Income (SOI) Bulletin (Quarterly) – Publication No. 1136

Subscription price $20.00; Single copy price $5.50

The SOI Bulletin provides the earliest published financial statistics from the various types of tax and information returns filed with the Internal Revenue Service. The Bulletin also includes information from periodic special analytical studies of particular interest to tax administrators and economists.

Statistics of Income – 1982, Corporation Income Tax Returns, Publication No.16 –

Price $6.00

Presents information on –

- Receipts
- Deductions
- Net income
- Taxable income
- Income tax
- Tax credits
- Distributions to stockholders
- Assets
- Liabilities

Data classified by–

- industry
- accounting period
- size of total assets
- size of business receip

Corrections to Spring 1986 Issue

Environmental Taxes, 1981-84

a) The authority conferred by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) to collect environmental taxes for Superfund and the Post-closure Liability Trust Fund expired September 30, 1985.

The article, as published, stated that the Hazardous Waste Tax portion of CERCLA would remain in effect until the obligated balance of the Post-closure Liability Trust Fund exceeded $200 million or until it was repealed. The latter qualifications, however, were overridden by the September 30, 1985 expiration of the Act.

		As Published	As Corrected
b) p. 76	Number of Businesses etc.: Total Environmental Tax, (col. 2) ($000)	978,108	978,105
	Post-closure Liability Trust Fund, (col. 2) ($000)	10,703	10,701

"Superfund" Taxes by Category for Quarters Ending June 30, 1981, through December 31, 1984 (revised)

[Millions of dollars]

Quarter ending	Total	Petro-chemicals	Inorganic chemicals	Petro-leum
	(1)	(2)	(3)	(4)
Total[1/]	$967.4	$641.8	$172.2	$150.3
June 1981	68.7	45.8	12.8	10.1
Sept. 1981	61.0	40.0	11.6	9.3
Dec. 1981	68.2	43.9	11.3	11.7
Mar. 1982	59.2	39.4	10.6	9.0
June 1982	60.7	40.1	10.8	9.8
Sept. 1982	55.4	35.9	9.5	9.4
Dec. 1982	56.8	37.2	10.2	9.4
Mar. 1983	59.7	40.0	11.3	8.8
June 1983	66.9	45.4	9.6	10.0
Sept. 1983	64.8	42.6	10.9	11.3
Dec. 1983	66.8	45.3	11.4	9.9
Mar. 1984	75.5	52.0	12.6	11.0
June 1984	72.5	49.2	12.8	10.5
Sept. 1984	63.7	42.3	11.2	9.6
Dec. 1984	67.2	42.2	14.6	10.4

1/Includes tax not allocable to a specific category. For this reason and also because of rounding, detail will not add to total.

c) p. 79-81 Table 1.--Environmental Taxes by Type, etc.:

	As Published	As Corrected
Spanner beneath table title	[Money amounts are in thousands]	[Money amounts are in thousands except in column 1]
Hazardous Waste (col. 1)	10,703,428	10,701,362

Individual Income Tax Returns for 1985: Selected Characteristics From the Taxpayer Usage Study

By Elizabeth L. Gross*

Recently, two trends have been evident in the filing patterns of individual taxpayers. The first is that fewer taxpayers have been filing their returns by the deadline, submitting only a request for automatic extension of filing time by April 15. Based on Internal Revenue Service (IRS) projections of total 1985 individual income tax returns, this trend has continued (see Figure A).

The second trend has been for taxpayers who do file on or before April 15 to file later in the season (see Figure B). However, in contrast to the pattern of recent years, timely-filed returns for Tax Year 1985 arrived at the 10 IRS service centers on approximately the same schedule as returns for the year before. After a slow start at the beginning of 1986, the rate of filing began to increase, with the usual last-minute filing surge before the April 15 deadline.

CHARACTERISTICS OF RETURNS

In keeping with the trend of previous years, the long form, Form 1040, accounted for almost 64 percent of all returns filed (see Figure C). The percentage of taxpayers filing Form 1040A again decreased, while the number filing Form 1040EZ returns continued at the same level. Although still the most common filing status, the number of joint returns of husbands and wives decreased for Tax Year 1985. The percentage fell from 49.6 for 1984 to 47.0 for 1985 returns, while returns of single persons increased from 41.1 percent to 42.1 percent. The average number of exemptions claimed per return was 2.2.

TWO-EARNER COUPLES

The number of two-earner married couples increased each year through 1984, but data for Tax Year 1985 show a decrease in the number of two-wage-earner households. This change is evidenced by a decline in the number of returns with at least one Form W-2 (Wage and Tax Statement) attached for each taxpayer (from 22.0 million for 1984 to 21.3 million for 1985).

SOCIAL SECURITY BENEFITS

The number of returns showing "taxable" social security benefits among the sources of

Figure A. Number of Returns Filed, 1980-85

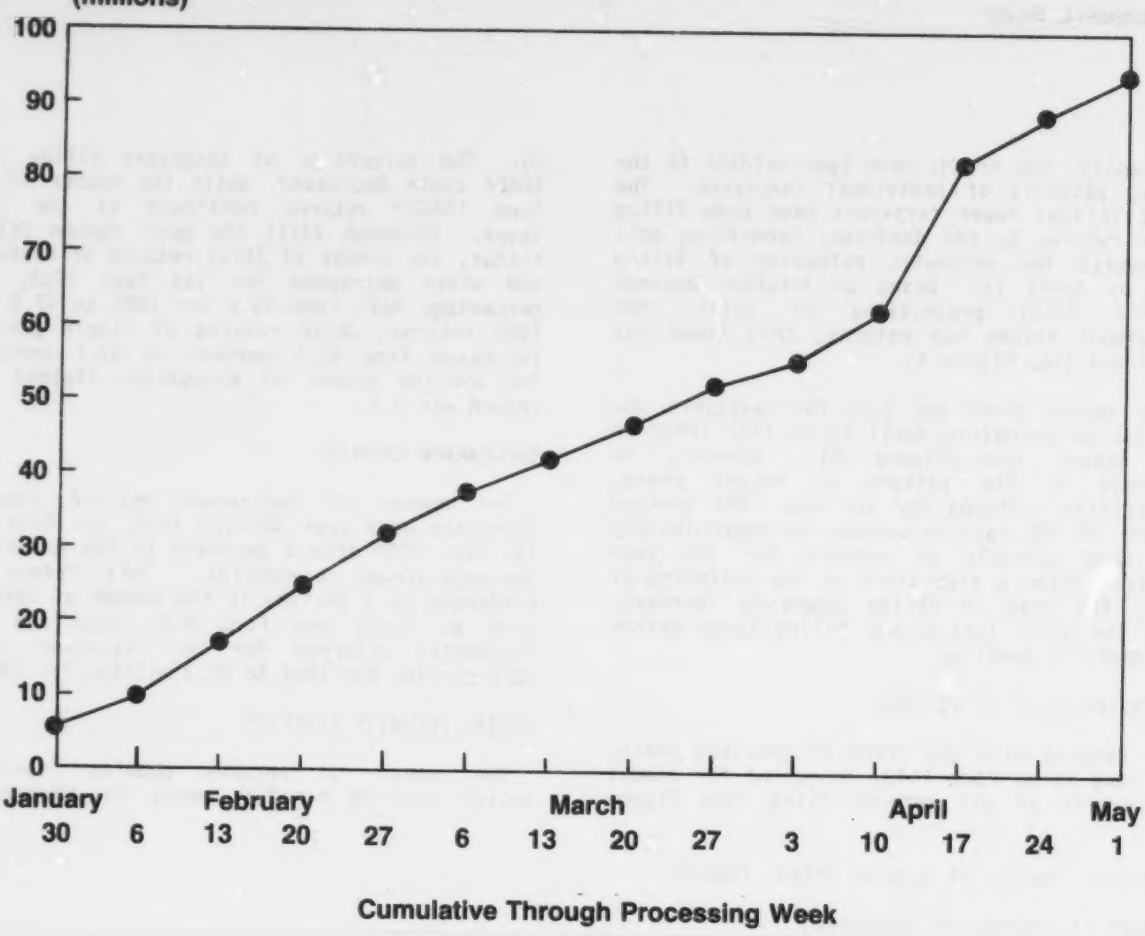
[Number of returns in thousands]

Returns filed	Tax Year					
	1980	1981	1982	1983	1984	1985
	(1)	(2)	(3)	(4)	(5)	(6)
Returns filed through December of the filing year	94,155	95,520	95,609	95,564	99,579	102,800 1/
Returns filed through April of the filing year	89,154	90,670	89,964	90,407	92,611	95,307
Returns filed through April as a percentage of returns filed through December	94.7%	94.9%	94.1%	94.6%	93.0%	92.7% 2/

1/The figure for Tax Year 1985 is a projected total by the IRS Research Division of Forms 1040, 1040A and 1040EZ.
2/Estimated based on the projection for Tax Year 1985.

*Individual Special Projects Section. Prepared under the direction of Peter Sailer, Chief.

Figure B.
Estimated Cumulative Receipts, Tax Year 1985



income remained the same at 2.8 million, while those reporting "gross" social security benefits increased from 6.7 million returns for Tax Year 1984 to 8.1 million for 1985. The number reporting social security benefits rose more than expected, possibly because taxpayers were entering their gross social security amounts even though they were not required to report benefits from the Social Security Administration or the Railroad Retirement Board unless there were taxable amounts.

The increase in returns with gross social security benefits can be attributed, in part, to the aging of the population, the percentage of the total population in the 65-or-over age group increasing from 11.8 percent to 11.9 percent [1]. The Social Security Administration reported an increase in the number of persons receiving social security benefits from 36.5 million for 1984 to 37.1 million for 1985 [2]. The increase in beneficiaries did not translate into a rise in returns with taxable benefits. Figure D shows that the number of social security beneficiaries in the lower adjusted gross income (AGI) classes increased. The exclusion of taxable income, $25,000 for single filers and $32,000 for joint filers, exempted most filers from having taxable benefits. Since most of the new beneficiaries' income fell below this floor, the number of returns with taxable benefits did not increase.

ADJUSTMENTS TO INCOME

Of the 95.3 million returns filed through April 1986, 15.4 million showed a deduction for payments to an Individual Retirement Arrangement

Figure C. Number of Returns Filed, by Form Type, 1981-85

[Number of returns in thousands]

Type of return	Tax Year				
	1981	1982	1983	1984	1985
	(1)	(2)	(3)	(4)	(5)
All returns	90,670	89,964	90,407	92,611	95,307
Long form, 1040	53,544	54,687	55,853	57,862	60,677
Short forms, total	37,126	35,277	34,556	34,749	34,629
1040A	37,126	20,492	19,094	18,422	17,926
1040EZ	N/A	14,785	15,462	16,327	16,703
	Percentage of returns				
All returns	100.0%	100.0%	100.0%	100.0%	100.0%
Long form, 1040	59.1	60.8	61.8	62.5	63.7
Short forms, total	40.9	39.2	38.2	37.5	36.3
1040A	40.9	22.8	21.1	19.9	18.8
1040EZ	N/A	16.4	17.1	17.6	17.5

N/A - Not applicable.

(IRA). For Tax Year 1984, the comparable figure was also 15.4 million, showing little change in the total over the year before.

As shown in Figure E, the number of returns claiming the two-earner marital deduction remained basically unchanged between Tax Years 1984 and 1985. For Tax Year 1985, 32.8 percent of the Form 1040 filers and 18.2 percent of the Form 1040A filers claimed the deduction.

CHANGES DUE TO NEW LAWS

A number of tax law changes affected the characteristics of returns filed for 1985. One was the change in the deduction for charitable contributions. For Tax Year 1984, nonitemizers could take a maximum deduction of 25 percent of their charitable contributions, up to $75. Beginning with Tax Year 1985, taxpayers who did not itemize deductions on Schedule A could deduct 50 percent of their charitable contributions, subject to limitations based on the size of adjusted gross income. The increase in the zero bracket amount and in the "nonitemizers'" charitable contributions deduction made it more beneficial for some taxpayers not to itemize [3].

The number of returns with the nonitemized deduction for charitable contributions increased from 22.3 million to 25.0 million for 1985. The increase in the number of returns with nonitemizers' charitable contributions deduction, in combination with the increase in the zero bracket amount and other tax law changes, resulted in a decline in the number of itemizers. Only 37.8 percent of all returns were filed by taxpayers who chose to itemize deductions, as opposed to 40.7 percent for Tax Year 1984 (see Figure F). This decline reversed the trend towards increasing percentages of itemizers that began 6 years ago.

The indexing of tax rates, introduced by the Economic Recovery Tax Act of 1981, came into effect for Tax Year 1985. Historically, taxpayers may have been pushed into higher tax brackets by inflation, even though their real incomes did not increase.

Beginning with Tax Year 1985, the tax rate schedules were adjusted to keep pace with cost-of-living increases, thus avoiding bracket creep, with the change reflecting the percentage rise in the Consumer Price Index. Furthermore, as a part of indexing, the personal exemption amount was adjusted from $1,000 to $1,040. Analysis of Figure G indicates that the percentage of all filers with "total tax" [4] decreased slightly to 81.5 percent for Tax Year 1985. From Tax Year 1984 to Tax Year 1985, the percentage of returns with total tax decreased most in the lower AGI classes and increased most in the top class. The total tax as a percent of AGI decreased in the upper and lowest AGI classes, with a rise for the middle classes.

For the six years prior to the Economic Recovery Tax Act, total tax as a percentage of AGI increased. With the tax cuts that followed

Figure D. Form 1040 Returns: Number with Gross and Taxable Social Security Benefits, 1984-85

[Number of returns in thousands]

Size of adjusted gross income	Tax Year 1984		
	Total	Returns with--	
		Gross social security benefits reported	Taxable social security benefits reported
	(1)	(2)	(3)
Form 1040 returns, total	57,862	6,685	2,779
Under $5,000 1/	5,016	555	*34
$5,000 under $15,000	5,912	990	*11
$10,000 under $25,000	5,176	979	*22
$15,000 under $20,000	6,313	679	-
$20,000 under $30,000	12,100	1,272	559
$30,000 under $50,000	15,942	1,328	1,281
$50,000 under $100,000	5,444	697	685
$100,000 or more	959	185	185

Size of adjusted gross income	Tax Year 1985		
	Total	Returns with--	
		Gross social security benefits reported	Taxable social security benefits reported
	(4)	(5)	(6)
Form 1040 returns, total	60,677	8,058	2,777
Under $5,000 1/	5,490	857	*33
$5,000 under $10,000	6,476	1,525	*25
$10,000 under $15,000	6,732	1,250	*16
$15,000 under $20,000	6,776	981	*21
$20,000 under $30,000	12,204	1,272	530
$30,000 under $50,000	15,731	1,419	1,397
$50,000 under $100,000	6,271	599	600
$100,000 or more	997	156	156

*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.

as a result of the 1981 legislation, total tax as a percentage of AGI decreased for 1982 and 1983 and stabilized for 1984. In spite of indexing, Tax Year 1985 figures showed a slight increase in total tax as a percent of AGI, especially in the lowest AGI class, where over one-third of the tax liability was from self-employment tax. Note that, for taxpayers who derive most of their income from self-employment, the effects of indexing were more than offset by the increase in the self-employment tax rate (from 11.3 percent on the first $37,800 for 1984 to 11.8 percent on the first $39,600 for 1985).

Figure H indicates the proportion of returns in each income class that showed a total tax liability. While the number of returns in the lowest income class increased between 1984 and 1985, the number of taxable returns decreased.

REFUND RETURNS AND RETURNS WITH TAX DUE AT TIME OF FILING

Most returns (74.2 percent) indicated that the taxpayer expected to receive a refund, with an average amount of $869 claimed. The number of refund returns for 1985 was higher, 70.7 million compared with 66.5 million for 1984. The average balance due on the 18.2 million returns with tax due at time of filing was $1,702. The number of tax-due returns decreased from 19.5 million for 1984.

PAID PREPARER, OFFICIAL LABEL, AND ENVELOPE USE

Most taxpayers, 61.7 percent, used the official pre-addressed, bar-coded envelope. Nearly half of the enclosed returns were completed by a paid preparer (45.2 percent). Consistent with recent years, Tax Year 1985

Figure E. Form 1040 and Form 1040A Returns: Number With Selected Statutory Adjustments, 1981-85

[Number of returns in thousands]

Selected statutory adjustments	Tax Year				
	1981	1982	1983	1984	1985
	(1)	(2)	(3)	(4)	(5)
Form 1040 and Form 1040A returns, total	90,670	75,179	74,946	76,284	78,603
Form 1040	53,544	54,687	55,853	57,862	60,677
Form 1040A	37,126	20,492	19,094	18,422	17,926
Individual retirement arrangement (IRA) deduction, total	3,200 1/	11,351	12,803	15,353	15,357
Form 1040	3,200	11,351	11,876	14,046	14,301
Form 1040A	N/A	N/A	927	1,309	1,055
Marital deduction, total	N/A	20,296	20,994	22,679	23,162
Form 1040	N/A	17,104	17,647	19,320	19,903
Form 1040A	N/A	3,193	3,347	3,359	3,259

1/Only this rounded estimate was tabulated.
N/A - Those adjustments were either not allowed for the year or not applicable to the return form indicated.

Figure F. Percentage of Returns with Itemized Deductions, 1979-85

Tax Years	All returns	Form 1040 returns
1979	28.9%	49.6%
1980	30.6	51.7
1981	31.1	52.7
1982	34.9	57.4
1983	36.0	58.3
1984	40.7	65.1
1985	37.8	59.4

data show an increase in the number of paid-preparer returns (Figure I). The increased use of paid preparers may explain some of the decline in use of the official IRS label and bar-coded envelope. Taxpayers may not have passed them on to their preparers, or preparers may have used their own forms and mailed returns to the service centers in bulk. The use of computer-printed returns nearly tripled, increasing from 2.2 percent to 6.5 percent for 1985. This rise resulted in lower label usage, since many computer programs print the taxpayer's name, address, and other information required in the identification block.

Use of the official bar-coded envelope provided in the mailed tax packages was down significantly compared with Tax Year 1984. Nearly 62 percent of all Tax Year 1985 returns were sent to the service centers in official envelopes. Comparable figures were 70.5 percent and 72.0 percent for Tax Years 1984 and 1983, respectively.

Use of the official label reduces the processing time required by the IRS for each return. When a transcription operator keys in the social security number and check digits provided on the official label, there is no need to enter name(s) or address, provided no changes were made to the label, since the information is already on file.

Official envelope usage speeds the mail and sorting process of returns en route to the IRS service centers. The bar codes on the envelopes, representing ZIP codes and IRS information, allow the Postal Service and the IRS to machine-sort the envelopes. Automation saves time and money over the manual mail-sorting procedures.

Once envelopes reach the service centers, they are further sorted by a computerized mail-processing system that reads bar codes and detects coding on checks, among other features. The system allows for early identification and separation of remittance and refund returns which go through different processing steps. These two factors reduce processing time and costs.

CHANGES IN IRS PROCEDURES

Two pilot programs conducted by the IRS may have affected data for Tax Year 1985. The Cincinnati Service Center was the test site for the Study of Utilization of Processing

Figure G. All Returns: Adjusted Gross Income (AGI) and Total Tax by Size of Adjusted Gross Income, 1984-85

[Number of returns in thousands; amounts in millions of dollars]

Size of adjusted gross income	Tax Year 1984*					
	Adjusted gross income		Total tax		Percentage with total tax	Total tax as a percent of AGI
	Number of returns	Amount	Number of returns	Amount		
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total.....	92,611	$2,004,011	76,723	$258,266	82.8%	12.89%
Under $5,000[1]/.....	15,070	16,681	5,170	1,195	34.3	7.16
$5,000 under $10,000.....	14,402	101,189	11,951	740	83.0	0.73
$10,000 under $15,000.....	12,828	153,244	12,065	6,958	94.1	4.54
$15,000 under $20,000.....	10,532	177,281	9,926	12,288	94.2	6.93
$20,000 under $30,000.....	16,303	397,181	15,334	36,496	94.1	9.19
$30,000 under $50,000.....	17,074	641,920	16,247	86,282	95.2	13.44
$50,000 under $100,000....	5,444	346,481	5,108	62,456	93.8	18.03
$100,000 or more.....	959	170,034	922	51,851	96.1	30.49

Size of adjusted gross income	Tax Year 1985					
	Adjusted gross income		Total tax		Percentage with total tax	Total tax as a percent of AGI
	Number of returns	Amount	Number of returns	Amount		
	(7)	(8)	(9)	(10)	(11)	(12)
All returns, total.....	95,307	$2,105,393	77,654	$282,235	81.5%	13.41%
Under $5,000[1]/.....	16,017	26,477	4,888	1,412	30.5	5.10
$5,000 under $10,000.....	15,346	115,054	12,396	5,552	80.8	4.83
$10,000 under $15,000.....	13,212	163,575	12,315	11,952	93.2	7.31
$15,000 under $20,000.....	10,890	189,929	10,336	17,234	94.9	9.07
$20,000 under $30,000.....	15,677	387,979	14,923	41,465	95.2	10.69
$30,000 under $50,000.....	16,892	647,010	15,967	83,429	94.5	12.89
$50,000 under $100,000....	6,276	397,192	5,841	67,351	93.1	16.96
$100,000 or more.....	997	178,176	988	53,902	99.1	30.25

*Data for Tax Year 1984 reflect revisions.
1/Includes returns with no adjusted gross income.

Electronically Filed Returns, known as "SUPER." Refund returns from three selected IRS districts were prepared by participating return preparers and transmitted electronically via telephone lines for processing by the IRS.

The pilot was limited to timely-filed Forms 1040, 1040A, and 1040EZ with selected attachments [5]. The 26,314 returns filed electronically for Tax Year 1985 bypassed the sampling point for the Taxpayer Usage Study (TPUS) in the service center mailrooms, so they were not included in this study. As the scope of the project expands to seven IRS districts in 1987 (Tax Year 1986), the SUPER returns will be included in next year's TPUS sample.

A second pilot effort involved reducing the number of tax packages mailed to the public. Selected taxpayers who had used a paid preparer in the past were sent postcards asking whether they needed a tax package to prepare their Tax Year 1985 return. To the postcard was affixed the official IRS label, which was to be attached to the completed return. The drop in use of labels detected early in the 1986 filing season prompted a study of the postcard recipients to see whether they were providing their labels to their paid preparers. As it turned out, the postcard recipients used the labels no less than other taxpayers who used paid preparers.

DATA SOURCES AND LIMITATIONS

Data for TPUS were derived from a continuous daily sampling of returns as they were received

Figure H.
Taxable and Nontaxable Returns by Size of Adjusted Gross Income, 1984 and 1985

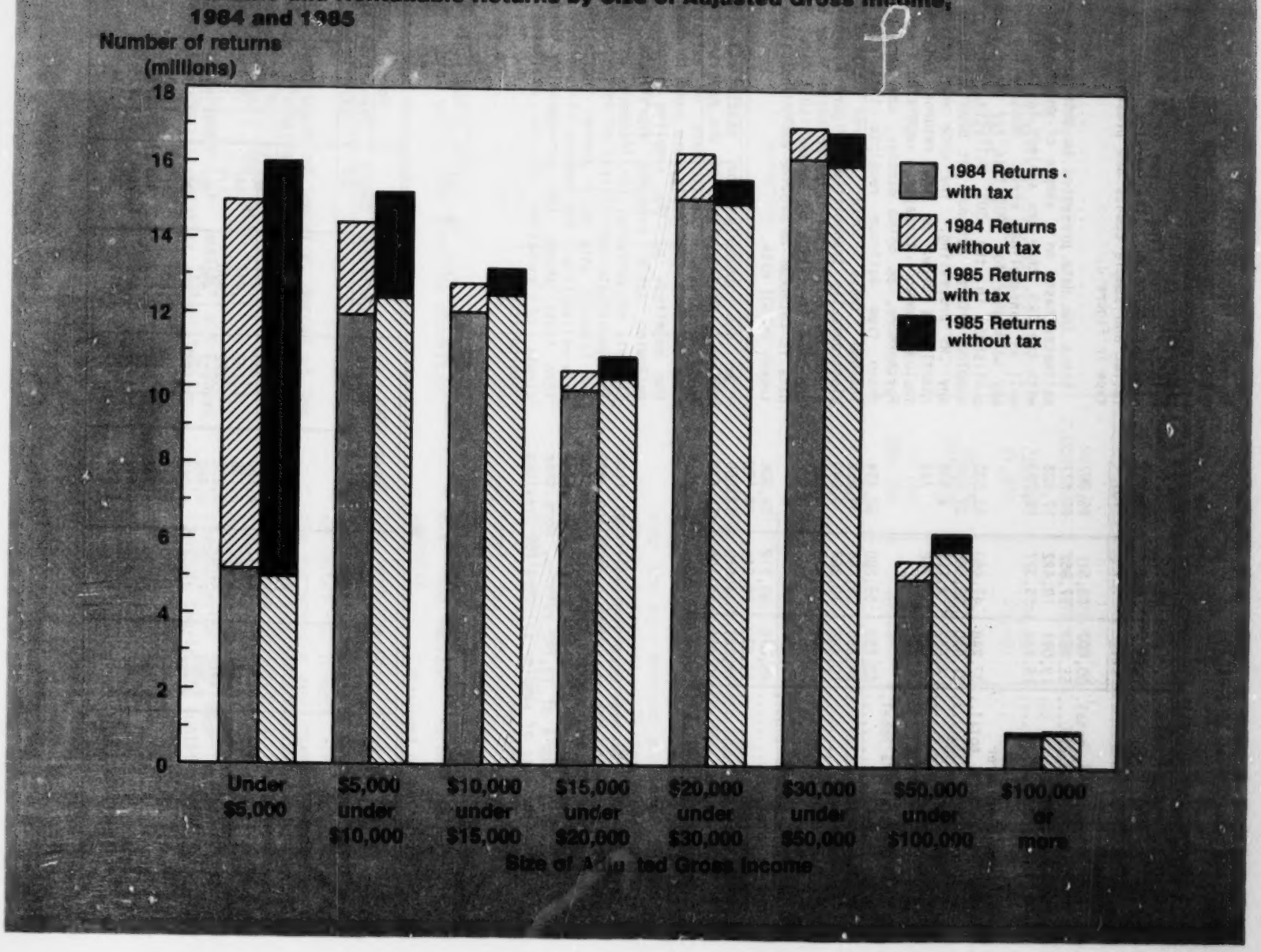


Figure I. All Returns: Number With Selected Characteristics, 1983-85

[Number of returns in thousands]

Item	Tax Year		
	1983	1984	1985
	(1)	(2)	(3)
All returns, total.	90,407	92,611	95,307
Form 1040.....	55,853	57,862	60,677
Form 1040A.....	19,094	18,422	17,926
Form 1040EZ.....	15,462	16,327	16,703
Paid-preparer signature, total..	37,248	41,460	43,030
Form 1040.....	31,990	36,585	37,878
Form 1040A.....	4,652	4,114	4,409
Form 1040EZ.....	607	760	744
Official IRS label, total.....	52,256	55,280	52,494
Form 1040.....	34,290	35,444	34,652
Form 1040A.....	10,498	10,363	9,240
Form 1040EZ.....	7,468	9,473	8,602
Bar-coded envelope, total.....	65,075	65,272	58,806
Form 1040.....	39,879	38,546	34,578
Form 1040A.....	14,741	14,619	12,559
Form 1040EZ.....	10,456	12,106	11,670

in the 10 IRS service center mailrooms from January 2 to May 1, 1986. Sampling was conducted for each service center at designated rates between 1-in-3,900 and 1-in-5,500, which yielded a sample of 18,742 returns, more than twice the size of samples selected for previous years' TPUS programs.

The theoretical sampling rates were not used in weighting the file. Rather, a separate weight was computed for each return type for each service center by dividing the TPUS sample into each receipt count. The result was weights ranging from a low of 3,948.58 to a high of 6,606.79. The service center population and sample counts are presented by form type in Figure J.

Since the data presented in this article are estimates based on a sample of documents filed with the IRS, they are subject to sampling, as well as nonsampling, error. Nonsampling error may be higher for TPUS than for other reports published in the SOI Bulletin, since the sampled returns had not yet been subjected to any IRS processing. The data were collected exactly as shown on the returns and, thus, include most taxpayer reporting errors. Furthermore, as noted earlier, the sample was drawn from mailroom receipts that did not include those SUPER returns that were electronically transmitted. Figure K provides a comparison of 1984 Taxpayer Usage Study data and 1984 Statistics of Income (SOI) data; TPUS data is intended to provide early indication of trends in SOI data.

To use properly the statistical data provided, the magnitude of the sampling error must be known. Coefficients of variation, computed from the sample, are used to measure the magnitude of the sampling error. The following table presents approximate coefficients of variation for frequency estimates. The approximate coefficients of variation shown are intended only as a general indication of data reliability. For numbers of returns other than those shown, the corresponding coefficients of variation can be estimated by interpolation.

Figure J. Population and Sample Counts by Service Center and Form Type, Tax Year 1985

[Population in thousands]

Service Center	Total		Forms 1040		Forms 1040A		Forms 1040EZ	
	Population	Sample	Population	Sample	Population	Sample	Population	Sample
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total.....	95,307	18,742	60,677	12,076	17,926	3,548	16,703	3,118
Andover.....	9,983	1,811	6,502	1,202	1,513	284	1,968	325
Atlanta.....	10,391	2,042	6,163	1,233	2,377	464	1,851	345
Austin.....	10,541	1,992	6,135	1,167	2,437	442	1,970	383
Brookhaven.....	7,914	1,787	5,236	1,172	1,560	372	1,118	243
Cincinnati.....	9,960	1,783	6,480	1,137	1,699	321	1,782	325
Fresno.....	9,494	2,238	6,262	1,586	1,694	398	1,537	254
Kansas City.....	9,842	1,980	6,645	1,388	1,588	279	1,609	313
Memphis.....	9,754	1,600	5,768	873	2,217	403	1,770	324
Ogden.....	9,782	1,948	6,627	1,339	1,430	282	1,725	327
Philadelphia.....	7,645	1,561	4,859	979	1,412	303	1,374	279

Figure K.--Comparison of 1984 Taxpayer Usage Study (TPUS) Data and Statistics of Income (SOI) Data

[Number of returns in thousands; amounts in millions of dollars]

Items	1984 TPUS	1984 SOI	Difference	Percent Difference
	(1)	(2)	(3)	(4)
All returns	92,611	99,439	6,828	6.9%
Adjusted gross income	2,004,011	2,139,904	135,893	6.4
Marital deduction:				
Number of returns	22,679	24,126	1,447	6.0
Amount	21,571	22,407	836	3.7
Excess itemized deductions:				
Number of returns	35,305	37,691	2,386	6.3
Amount	201,652	242,000	40,348	16.7
Total tax:				
Number of returns	76,659	85,049	8,390	9.9
Amount	258,266	313,010	54,744	17.5

Approximate Coefficients of Variation

Estimated number of returns	Forms 1040	Forms 1040A	Forms 1040EZ
	(1)	(2)	(3)
50,000,000	.015	(*)	(*)
20,000,000	.018	(*)	(*)
15,000,000	.021	.020	.020
10,000,000	.026	.024	.025
5,000,000	.036	.034	.035
1,000,000	.081	.075	.078
500,000	.115	.107	.116
100,000	.257	.239	.246
75,000	.297	.276	.284

(*) Not applicable because the estimated number of returns was greater than the population estimate.

NOTES AND REFERENCES

[1] U.S. Department of Commerce, Bureau of the Census, Estimates of the Population of the United States, by Age, Sex, and Race: 1980 to 1985, April 1986, Table 1.

[2] U.S. Department of Health and Human Services, Social Security Administration, Social Security Bulletin, March 1986, Table M-13.

[3] For example, consider single taxpayers with total income of $20,000 for Tax Year 1985 who contributed $500 to charity and had total itemized deductions of $2,500, $110 over the zero bracket amount of $2,390 for single taxpayers. If taxpayers chose not to itemize, opting for the charitable contributions deduction, then $250 could be deducted from adjusted gross income--$140 more than the more complicated route of itemizing deductions.

[4] Total tax represents income tax after credits added to other taxes such as self-employment tax, alternative minimum tax, and advance earned income credit payments.

[5] The selected attachments were Schedules A (Itemized Deductions), B (Interest and Dividend Income), E (Supplemental Income Schedule), R (Credit for the Elderly and the Permanently and Totally Disabled), and W (Deduction for a Married Couple When Both Work) and Forms 2106 (Employee Business Expenses), 2441 (Credit for Child and Dependent Child Care Expenses), 4562 (Depreciation and Amortization), and 8283 (Noncash Charitable Contributions).

Table 1.--All Returns: Number by Marital Status, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Type of return, marital status	Total	Number of returns by size of adjusted gross income							
		Under $5,000[1]	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns, total	95,307	16,017	15,346	13,212	10,890	15,677	16,892	6,276	997
Returns of single persons	40,079	12,289	9,139	6,624	4,414	4,710	2,366	440	97
Joint returns of husbands and wives	44,789	1,979	3,722	4,438	4,930	9,240	13,876	5,708	897
Separate returns of husbands and wives	780	218	159	145	78	121	*49	*10	-
Returns of heads of households	9,559	1,514	2,319	1,993	1,454	1,586	582	108	*4
Returns of surviving spouses	99	*17	*7	*11	*15	*20	*20	*11	-
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
Returns of single persons	17,847	3,509	3,312	2,746	2,256	3,299	2,188	440	97
Joint returns of husbands and wives	37,568	1,406	2,412	3,053	3,557	7,611	12,931	5,702	897
Separate returns of husbands and wives	518	114	94	81	67	107	*44	*10	-
Returns of heads of households	4,645	444	652	841	881	1,167	547	108	*4
Returns of surviving spouses	99	*17	*7	*11	*15	*20	*20	*11	-
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
Returns of single persons	5,534	1,599	1,555	1,027	682	556	115	-	N/A
Joint returns of husbands and wives	7,221	573	1,310	1,385	1,373	1,629	945	*5	N/A
Separate returns of husbands and wives	262	104	*65	*65	*10	*14	*4	-	N/A
Returns of heads of households	4,909	1,069	1,661	1,152	573	419	*35	-	N/A
Form 1040EZ returns, total[2]	16,703	7,180	4,278	2,851	1,476	855	*63	N/A	N/A

N/A - Not applicable
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
2/Form 1040EZ returns could be filed by single persons only.
NOTE: Detail may not add to total because of rounding.

Table 2.--All Returns: Number With and Without Total Tax, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Type of return, total tax[1]	Total	Number of returns by size of adjusted gross income							
		Under $5,000[2]	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns, total	95,307	16,017	15,346	13,212	10,890	15,677	16,892	6,276	997
Number with total tax	77,654	4,888	12,396	12,315	10,336	14,923	15,967	5,841	988
Number with no total tax	17,653	11,129	2,950	897	554	754	925	435	*10
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
Number with total tax	52,792	2,308	4,844	6,109	6,307	11,532	14,867	5,836	988
Number with no total tax	7,886	3,183	1,632	623	469	671	863	435	*10
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
Number with total tax	13,407	615	3,290	3,371	2,552	2,535	1,037	*5	N/A
Number with no total tax	4,519	2,730	1,301	258	86	82	*62	-	N/A
Form 1040EZ returns, total	16,703	7,180	4,278	2,851	1,476	855	*63	N/A	N/A
Number with total tax	11,455	1,965	4,262	2,835	1,476	855	*63	N/A	N/A
Number with no total tax	5,248	5,216	*16	*16	-	-	-	N/A	N/A

N/A - Not applicable
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Total tax is the sum of income tax after credits, self-employment tax, alternative minimum tax, tax from recapture of investment credit, social security tax on tip income not reported to employer, and tax on an IRA. (Income tax after credits excludes the earned income credit).
2/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 3.--All Returns: Number With and Without Total Income Tax, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Type of return, total income tax[1]	Total	Number of returns by size of adjusted gross income							
		Under $5,000[2]	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns, total	95,307	16,017	15,346	13,212	10,890	15,677	16,892	6,276	997
Number with total income tax	72,686	3,865	10,530	11,799	10,018	14,362	15,392	5,746	972
Number with no total income tax	22,620	12,151	4,815	1,413	872	1,315	1,500	530	*25
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
Number with total income tax	48,842	1,364	3,870	5,636	5,990	10,977	14,292	5,741	972
Number with no total income tax	11,835	4,126	2,606	1,096	786	1,227	1,438	530	*25
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
Number with total income tax	12,389	537	2,399	3,328	2,552	2,530	1,037	*5	N/A
Number with no total income tax	5,538	2,809	2,193	301	86	88	*62	-	N/A
Form 1040EZ returns, total	16,703	7,180	4,278	2,851	1,476	855	*63	N/A	N/A
Number with total income tax	11,455	1,965	4,262	2,835	1,476	855	*63	N/A	N/A
Number with no total income tax	5,248	5,216	*16	*16	-	-	-	N/A	N/A

N/A - Not applicable.
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Total income tax is computed as the sum of income tax after credits and alternative minimum tax.
2/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 4.--Form 1040 Returns: Social Security Benefits, by Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands and amounts are in millions]

Size of adjusted gross income	Total	Gross benefits		Tax-exempt interest		Taxable benefits	
		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Form 1040 returns, total	60,677	8,058	60,092	881	8,776	2,777	8,347
No adjusted gross income	882	115	760	*10	656	*28	*62
$1 under $5,000	4,608	742	4,534	*20	137	*5	*10
$5,000 under $10,000	6,476	1,525	10,975	*24	287	*25	*67
$10,000 under $15,000	6,732	1,250	10,104	*30	363	*16	*36
$15,000 under $20,000	6,776	981	7,415	*34	181	*21	*20
$20,000 under $30,000	12,204	1,272	9,375	147	526	530	706
$30,000 under $50,000	15,731	1,419	10,169	343	1,396	1,397	3,970
$50,000 under $100,000	6,271	599	4,962	208	1,158	600	2,583
$100,000 or more	997	156	1,798	*65	4,072	156	893

*Estimate should be used with caution because of the small number of sample returns on which it is based.
NOTE: Detail may not add to total because of rounding.

Table 5.--Form 1040 and Form 1040A Returns With Positive Total Income: Number With Total Income, Statutory Adjustments, and Positive Adjusted Gross Income, by Size of Total Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Size of total income	Positive total income[1/]	Statutory adjustments				Positive adjusted gross income
		Total	IRA payments	Two-earner married couple	Alimony paid	
	(1)	(2)	(3)	(4)	(5)	(6)
Form 1040 and Form 1040A returns, total	77,895	31,124	15,300	23,140	567	76,983
$1 under $5,000	7,763	197	*49	147	*5	7,473
$5,000 under $10,000	10,873	949	275	686	*35	10,700
$10,000 under $15,000	10,138	1,783	861	1,306	*21	10,010
$15,000 under $20,000	9,071	2,525	974	1,897	*25	9,024
$20,000 under $25,000	7,605	2,973	1,274	2,093	*48	7,552
$25,000 under $30,000	6,805	3,372	1,394	2,572	*37	6,764
$30,000 under $50,000	16,994	11,822	5,385	9,105	200	16,885
$50,000 under $75,000	6,144	5,396	3,292	4,099	114	6,115
$75,000 under $100,000	1,307	1,149	951	762	*50	1,289
$100,000 or more	1,194	957	844	474	*32	1,169

*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Returns are tabulated in this column when the sum of all sources of income and loss is positive.
NOTE: Detail may not add to total because of rounding.

Table 6.--Joint Form 1040 and Form 1040A Returns: Number With and Without Deduction for Two-Earner Married Couple, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Deduction for two-earner married couple, type of return	Total	Number of returns by size of adjusted gross income							
		Under $5,000[1/]	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Joint Form 1040 and Form 1040A returns, total	44,789	1,979	3,722	4,438	4,930	9,240	13,876	5,708	897
Returns with deduction for two-earner married couple:									
Number	23,162	208	750	1,437	2,148	5,009	9,387	3,844	378
Amount	22,506	*65	198	469	1,003	3,470	10,455	6,344	501
Returns without deduction for two-earner married couple	21,627	1,771	2,971	3,001	2,782	4,231	4,489	1,863	518
Joint Form 1040 returns, total	37,568	1,406	2,412	3,053	3,557	7,611	12,931	5,702	897
Returns with deduction for two-earner married couple:									
Number	19,903	96	396	841	1,511	4,053	8,789	3,839	378
Amount	20,488	52	84	258	681	2,778	9,793	6,341	501
Returns without deduction for two-earner married couple	17,666	1,310	2,016	2,212	2,046	3,558	4,142	1,863	518
Joint Form 1040A returns, total	7,221	573	1,310	1,385	1,373	1,629	945	*5	N/A
Returns with deduction for two-earner married couple:									
Number	3,259	112	355	596	637	956	598	*5	N/A
Amount	2,018	13	115	211	323	692	662	*3	N/A
Returns without deduction for two-earner married couple	3,961	461	955	789	736	674	346	-	N/A

N/A - Not applicable.
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 7.--All Returns: Presence of Form W-2 Wage and Tax Statement, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--number of returns are in thousands]

Number with Form W-2, type of return	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns, total	95,307	16,017	15,346	13,212	10,890	15,677	16,892	6,276	997
Forms W-2 attached, total	152,583	22,746	22,434	18,870	16,307	25,996	32,695	12,308	1,527
One	39,329	6,470	6,444	6,426	5,500	7,115	5,274	1,742	357
Two or more for same taxpayer	20,566	5,809	5,145	3,170	2,017	2,366	1,491	418	150
Two or more for different taxpayers 2/	21,329	268	658	1,296	1,811	4,616	8,815	3,555	309
Form W-2 not attached	14,082	3,469	3,099	2,319	1,562	1,580	1,313	560	181
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
Forms W-2 attached, total	92,384	4,410	6,569	7,922	9,521	19,993	30,445	11,997	1,527
One	21,053	1,447	2,029	2,559	2,967	5,096	4,855	1,742	357
Two or more for same taxpayer	8,543	989	1,341	1,298	1,121	1,860	1,366	418	150
Two or more for different taxpayers 2/	18,019	125	289	687	1,174	3,679	8,206	3,550	309
Form W-2 not attached	13,061	2,929	2,817	2,188	1,514	1,569	1,303	560	181
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
Forms W-2 attached, total	31,781	5,433	8,111	6,512	4,595	4,958	2,162	*11	N/A
One	9,307	1,565	2,362	2,085	1,564	1,348	382	-	N/A
Two or more for same taxpayer	4,590	1,285	1,633	840	410	322	99	-	N/A
Two or more for different taxpayers 2/	3,310	144	369	609	638	937	609	*5	N/A
Form W-2 not attached	720	351	228	94	*26	*11	*9	-	N/A
Form 1040EZ returns, total	16,703	7,180	4,278	2,851	1,476	855	*63	N/A	N/A
Forms W-2 attached, total	28,419	12,903	7,754	4,437	2,191	1,045	89	N/A	N/A
One	8,969	3,458	2,053	1,782	970	671	*36	N/A	N/A
Two or more for same taxpayer	7,433	3,534	2,171	1,032	485	184	*26	N/A	N/A
Form W-2 not attached	301	189	*54	*37	*21	-	-	N/A	N/A

N/A - Not applicable
*Estimate should be used with caution because of small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
2/For purpose of this table, even if each spouse on a joint return had two or more Forms W-2, the return was counted only in the statistics for "Two or more for different taxpayers."
NOTE: Detail may not add to total because of rounding.

Table 8.--All Returns: Number With and Without Nonitemizers' Charitable Contributions Deduction, Size of Contribution, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Contribution status, type of return	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns, total	95,307	16,017	15,346	13,212	10,890	15,677	16,892	6,276	997
With charitable contributions, total	25,029	2,730	5,530	5,354	4,196	4,576	2,363	265	*15
$1 under $25	2,426	428	595	498	444	306	154	-	-
$25 under $50	3,726	661	928	827	490	583	232	*5	-
$50 under $75	3,584	571	885	815	504	550	255	-	*5
$75 under $100	1,840	152	380	470	375	317	126	*20	-
$100 under $500	11,083	837	2,376	2,252	1,936	2,281	1,240	152	*10
$500 under $1,000	1,573	*31	263	361	347	313	221	*37	-
$1,000 under $5,000	560	*41	*63	109	73	182	70	*22	-
$5,000 under $10,000	76	*10	*40	-	-	*5	*15	*6	-
$10,000 or more	160	-	-	*21	*26	*39	*52	*22	-
Without charitable contributions	70,278	13,286	9,816	7,858	6,694	11,101	14,529	6,011	982
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
With charitable contributions, total	13,268	968	2,533	2,741	2,310	2,755	1,687	259	*15
$1 under $25	915	86	183	156	232	154	104	-	-
$25 under $50	1,458	177	290	352	201	296	137	*5	-
$50 under $75	1,491	189	258	349	257	260	173	-	*5
$75 under $100	1,064	51	203	270	239	202	79	*20	-
$100 under $500	6,729	419	1,326	1,348	1,119	1,439	922	146	*10
$500 under $1,000	1,079	*15	209	199	215	246	158	*37	-
$1,000 under $5,000	378	*26	*49	67	*42	118	*53	*22	-
$5,000 under $10,000	*45	*5	*14	-	-	*5	*15	*6	-
$10,000 or more	108	-	-	-	*5	*34	*47	*22	-
Without charitable contributions	47,409	4,522	3,943	3,992	4,466	9,449	14,043	6,011	982
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
With charitable contributions, total	7,097	586	1,580	1,563	1,305	1,402	656	*5	N/A
$1 under $25	750	76	205	176	139	103	*50	-	N/A
$25 under $50	1,251	154	333	295	197	188	85	-	N/A
$50 under $75	1,068	120	281	213	162	210	82	-	N/A
$75 under $100	464	*40	98	120	83	76	*47	-	N/A
$100 under $500	2,967	161	596	609	593	695	308	*5	N/A
$500 under $1,000	371	*15	*33	108	90	*62	*63	-	N/A
$1,000 under $5,000	154	*15	*14	*26	*19	*64	*16	-	N/A
$5,000 under $10,000	*26	*5	*20	-	-	-	-	-	N/A
$10,000 or more	*47	-	-	*16	*22	*4	*5	-	N/A
Without charitable contributions	10,829	2,760	3,012	2,066	1,333	1,216	443	-	N/A
Form 1040EZ returns, total	16,703	7,180	4,278	2,851	1,476	855	*63	N/A	N/A
With charitable contributions, total	4,663	1,176	1,417	1,050	582	419	*20	N/A	N/A
$1 under $25	761	265	207	166	73	*49	-	N/A	N/A
$25 under $50	1,017	330	305	181	92	99	*10	N/A	N/A
$50 under $75	1,025	262	345	252	85	81	-	N/A	N/A
$75 under $100	312	*61	79	80	*53	*38	-	N/A	N/A
$100 under $500	1,388	258	454	295	224	147	*10	N/A	N/A
$500 under $1,000	122	-	*21	*53	*43	*5	-	N/A	N/A
$1,000 under $5,000	*28	-	-	*16	*12	-	-	N/A	N/A
$5,000 under $10,000	*5	-	-	*5	-	-	-	N/A	N/A
$10,000 or more	*5	-	-	*5	-	-	-	N/A	N/A
Without charitable contributions	12,040	6,005	2,861	1,801	895	436	*43	N/A	N/A

N/A - Not applicable.
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/ Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 9.--Form 1040 Returns: Number With Selected Forms and Schedules, by Size Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Form or schedule	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Forms 1040, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
A Itemized Deductions	38,219	1,055	1,738	2,694	3,401	8,678	13,712	5,973	968
B Interest and Dividend Income	33,675	2,515	3,417	3,443	3,186	6,135	9,399	4,646	934
C Profit (or Loss) from Business or Profession	10,453	1,235	1,065	1,120	1,193	1,898	2,404	1,238	301
D Capital Gains and Losses	10,113	718	600	855	865	1,550	2,694	2,199	631
E Supplemental Income Schedule	11,653	839	945	1,083	1,000	2,006	2,959	2,089	732
F Farm Income and Expenses	2,261	497	234	197	257	409	375	220	73
G Income Averaging	3,120	*15	*61	133	282	572	1,012	717	328
R/RP Credit for the Elderly	428	*27	224	120	*44	*5	*5	*4	-
SE Computation of Social Security Self-Employment Tax	10,452	1,425	1,175	1,154	1,116	1,825	2,286	1,102	369
W Deduction for a Married Couple When Both Work	19,877	128	386	860	1,488	4,023	8,780	3,828	383
1116 Computation of Foreign Tax Credit	441	*9	*23	*24	*21	82	115	92	75
2106 Employee Business Expenses	6,046	105	241	502	622	1,215	1,974	1,219	169
2119 Sale or Exchange of Principal Residence	1,449	69	125	112	123	204	414	348	*52
2210/ 2210F Underpayment of Estimated Income Tax	3,545	101	279	382	466	648	763	648	259
2440 Sick Pay Exclusion	*19	-	-	-	*4	-	*9	*5	-
2441 Credit for Child and Dependent Care Expenses	5,594	*48	179	418	635	1,350	2,155	732	77
2555 Foreign Earned Income	69	*25	-	-	*10	*10	*14	*10	-
3468 Computation of Investment Credit	4,060	538	252	360	350	541	975	687	357
3903 Moving Expense Adjustment	1,359	*43	114	161	234	294	301	202	*10
4136 Computation of Credit for Federal Tax on Gasoline, Special Fuels, and Lubricating Oil	848	228	117	91	112	111	130	*43	*15
4137 Computation of Social Security Tax on Unreported Tip Income	112	*15	*5	*20	*25	*15	*27	*5	-
4255 Recapture of Investment Credit	726	114	*44	*39	*63	80	169	95	122
4562 Depreciation	10,063	962	768	861	1,032	1,784	2,579	1,594	483
4684 Casualties and Thefts	224	*5	*15	*10	*31	*62	87	*9	*4
4797 Supplemental Schedule of Gains and Losses	2,169	281	129	206	183	281	453	391	245
4835 Farm Rental Income and Expenses	537	*39	87	*55	72	98	89	76	*21
4868 Application for Automatic Extension of Time to File	126	*11	*22	*5	*9	*17	*33	*19	*10
4952 Investment Interest Expense Deduction	346	*19	*16	*24	*10	*45	*54	108	70
4972 Special 10-Year Averaging Methods	676	*33	*25	*60	79	197	134	101	*47
5329 Return for Individual Retirement Arrangement Taxes	246	*21	*14	*10	*36	*60	75	*24	*5
5695 Residential Energy Credit	2,827	*18	121	217	296	615	1,071	443	*47
5884 Jobs Credits	*30	-	-	-	-	-	*20	*10	-
6249/ 6249A Windfall Profit Tax Credit	*62	-	*11	-	*5	*5	*17	*16	*9
6251 Alternative Minimum Tax Computation	2,954	91	76	149	151	376	697	936	478
6252 Computation of Installment Sale Income	1,433	78	69	116	145	270	356	259	140
8283 Noncash Charitable Contributions	731	*5	*4	*18	*41	*33	236	261	133
8332 Release of Claim to Exemption for Child of Divorced or Separated Parents	110	-	*5	-	*41	*18	*38	*7	-
8396 Mortgage Interest Credit	*14	-	*4	-	-	*9	-	-	-

*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 10.--All Returns: Number With Dividends Before Exclusion or With Interest Income, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Dividend and interest income, type of return	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns, total	95,307	16,017	15,346	13,212	10,890	15,677	16,892	6,276	997
Returns with dividends before exclusion	17,489	1,285	1,470	1,488	1,446	2,999	4,812	3,270	719
Returns with interest	60,029	6,686	7,288	6,836	6,586	11,167	14,539	5,957	970
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
Returns with dividends before exclusion	16,532	1,077	1,307	1,360	1,339	2,782	4,678	3,270	719
Returns with interest	47,996	3,634	4,582	4,815	4,876	9,371	13,797	5,951	970
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
Returns with dividends before exclusion	956	208	163	128	107	217	134	-	N/A
Returns with interest	6,444	979	1,285	1,038	1,077	1,349	712	*5	N/A
Form 1040EZ returns, total	16,703	7,180	4,278	2,851	1,476	855	*63	N/A	N/A
Returns with interest	5,589	2,074	1,421	984	633	447	*30	N/A	N/A

N/A - Not applicable.
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 11.--All Returns: Number With Official IRS Label or Preaddressed Envelope, by Type of Return and Paid Preparer Status

[All figures are estimates based on samples--numbers of returns are in thousands]

Use of IRS mailing label, official envelope, type of return	Total	Paid preparer signature	
		Entry	No entry
	(1)	(2)	(3)
All returns, total	95,307	43,030	52,276
Official IRS label used	52,494	20,950	31,544
Official preaddressed envelope used	58,806	17,750	41,056
Form 1040 returns, total	60,677	37,878	22,799
Official IRS label used	34,652	18,934	15,717
Official preaddressed envelope used	34,578	15,385	19,193
Form 1040A returns, total	17,926	4,409	13,518
Official IRS label used	9,240	1,733	7,507
Official preaddressed envelope used	12,559	2,053	10,506
Form 1040EZ returns, total	16,703	744	15,959
Official IRS label used	8,602	283	8,319
Official preaddressed envelope used	11,670	312	11,358

NOTE: Detail may not add to total because of rounding.

Table 12.--Form 1040 and Form 1040A Returns: Number With Unemployment Compensation, by Type of Return and Marital Status

[All figures are estimates based on samples--numbers of returns are in thousands]

Unemployment compensation, type of return	Total	Number of returns by marital status				
		Returns of single persons	Joint returns of husbands and wives	Separate returns of husbands and wives	Returns of heads of households	Returns of surviving spouses
	(1)	(2)	(3)	(4)	(5)	(6)
Form 1040 and Form 1040A returns, total...	78,604	23,382	44,789	780	9,554	99
Unemployment compensation, total.....	7,391	1,817	4,655	67	852	-
Taxable and nontaxable amounts reported..	4,094	741	3,042	*34	277	-
Only total of taxable and nontaxable amounts reported.....	3,124	1,021	1,551	*32	520	-
Only taxable amount reported.....	172	*55	*62	-	*55	-
Form 1040 returns, total.....	60,677	17,847	37,568	518	4,645	99
Unemployment compensation, total.....	4,713	884	3,577	*39	342	-
Taxable and nontaxable amounts reported..	3,253	439	2,627	*20	167	-
Only total of taxable and nontaxable amounts reported.....	1,533	416	928	*19	170	-
Only taxable amount reported.....	*57	*29	*22	-	*5	-
Form 1040A returns, total.....	17,926	5,534	7,221	262	4,909	N/A
Unemployment compensation, total.....	2,548	933	1,077	*28	510	N/A
Taxable and nontaxable amounts reported..	841	302	416	*14	109	N/A
Only total of taxable and nontaxable amounts reported.....	1,591	605	622	*14	350	N/A
Only taxable amount reported.....	115	*26	*39	-	*50	N/A

N/A - Not applicable.
*Estimate should be used with caution because of the small number of sample returns on which it is based.
NOTE: Detail may not add to total because of rounding.

Table 13.--All Returns: Selected Items by Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands and amounts are in millions]

Size of adjusted gross income	Adjusted gross income		Itemized deductions		Charitable contributions deduction 1/		Exemptions	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns, total....	95,307	2,105,392	36,038	227,311	25,029	9,931	212,962	221,480
No adjusted gross income	1,265	-13,047	205	2,911	152	120	2,576	2,679
$1 under $5,000.....	14,752	39,524	289	1,292	2,578	308	14,915	15,511
$5,000 under $10,000...	15,346	115,054	1,261	3,786	5,530	1,164	26,372	27,426
$10,000 under $15,000..	13,212	163,575	2,286	6,929	5,354	1,248	26,064	27,107
$15,000 under $20,000..	10,890	189,929	3,147	10,580	4,196	1,264	25,238	26,248
$20,000 under $30,000..	15,677	387,979	8,370	30,702	4,576	1,921	41,589	43,253
$30,000 under $50,000..	16,892	647,010	13,578	76,626	2,363	2,435	52,459	54,558
$50,000 under $100,000.	6,276	397,192	5,930	65,031	265	1,468	20,484	21,303
$100,000 or more.....	997	178,176	973	29,454	*15	*2	3,265	3,395

Size of adjusted gross income	Income tax after credits		Alternative minimum tax		Total tax 2/		Income tax withheld	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns, total....	74,001	265,399	273	1,079	77,654	282,235	82,377	277,453
No adjusted gross income	233	444	-	-	431	631	598	941
$1 under $5,000.....	3,721	420	-	-	4,457	781	11,233	2,375
$5,000 under $10,000...	11,752	4,897	*12	*6	12,396	5,552	12,542	8,739
$10,000 under $15,000..	11,851	10,966	*5	*4	12,315	11,952	11,531	15,706
$15,000 under $20,000..	10,018	15,891	-	-	10,336	17,234	9,663	20,425
$20,000 under $30,000..	14,367	38,808	*26	*74	14,923	41,465	14,480	48,665
$30,000 under $50,000..	15,374	77,449	78	170	15,967	83,429	15,763	91,667
$50,000 under $100,000.	5,711	64,209	91	372	5,841	67,351	5,750	63,412
$100,000 or more.....	972	52,314	*62	*453	988	53,902	816	25,523

Size of adjusted gross income	Earned income credit 3/		Refund		Tax due at time of filing	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(17)	(18)	(19)	(20)	(21)	(22)
All returns, total.....	6 [illegible]	2,071	70,714	61,441	18,211	30,996
No adjusted gross income.....	*66	*20	607	540	141	127
$1 under $5,000.....	1,780	570	11,151	2,730	1,673	289
$5,000 under $10,000.....	3,479	1,344	11,891	5,435	2,495	859
$10,000 under $15,000.....	692	53	10,347	5,494	2,243	1,023
$15,000 under $20,000.....	5	-	8,436	5,824	2,009	1,318
$20,000 under $30,000.....	*9	*18	12,151	11,986	2,849	2,335
$30,000 under $50,000.....	*12	*66	12,223	17,953	3,946	5,211
$50,000 under $100,000.....	-	-	3,650	9,642	2,266	6,753
$100,000 or more.....	-	-	259	1,836	589	13,081

*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/ Amount claimed by nonitemizers on line 34e on Form 1040, line 16c on Form 1040A, or line 4 on Form 1040EZ.
2/ For the definition of "total tax", see note on Table 2.
3/ Includes returns with amounts used to reduce "total tax" to zero, and returns with refundable amounts (wher the credit exceeded "total tax").
NOTE: Detail may not add to total because of rounding.

Table 14.--Form 1040 and Form 1040A Returns: Number With and Without Credit for Child and Dependent Care Expenses, by Type of Return and Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Item	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Form 1040 and Form 1040A returns, total	78,604	8,836	11,068	10,361	9,414	14,822	16,830	6,276	997
No credit for child and dependent care expenses	70,595	8,690	10,271	9,232	8,327	13,039	14,573	5,544	920
With credit for child and dependent care expenses	8,008	146	797	1,130	1,087	1,783	2,256	732	77
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
No credit for child and dependent care expenses	55,104	5,443	6,297	6,314	6,132	10,864	13,596	5,538	920
With credit for child and dependent care expenses	5,574	*48	179	418	644	1,340	2,135	732	77
Form 1040A returns, total	17,926	3,346	4,592	3,629	2,638	2,618	1,099	*5	N/A
No credit for child and dependent care expenses	15,492	3,247	3,974	2,918	2,195	2,175	977	*5	N/A
With credit for child and dependent care expenses	2,435	98	617	711	443	443	122	-	N/A

N/A - Not applicable.
*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Table 15.--Form 1040 Returns: Number With and Without Itemized Deductions, by Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands]

Number by size of itemized deductions	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Form 1040 returns, total	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
With itemized deductions, total	227,203	4,203	3,786	6,929	10,505	30,689	76,606	65,031	29,454
$1 under $500	1,708	*46	224	270	261	538	325	*38	*5
$500 under $1,000	2,291	*50	178	329	376	777	514	*62	*5
$1,000 under $1,500	2,480	*45	130	267	347	878	702	111	-
$1,500 under $2,000	2,403	*26	159	195	322	822	809	70	-
$2,000 under $3,500	6,340	99	242	567	801	1,992	2,261	372	*5
$3,500 under $5,000	5,150	79	120	264	444	1,275	2,422	547	-
$5,000 under $7,500	6,304	*50	111	210	328	1,287	3,180	1,083	*54
$7,500 under $10,000	3,401	*40	*36	111	104	463	1,634	990	*24
$10,000 under $15,000	3,211	*30	*30	*53	87	216	1,328	1,277	190
$15,000 under $25,000	1,859	*16	*32	*15	*60	109	347	1,036	245
$25,000 under $50,000	731	*8	-	*4	*6	*9	*46	326	331
$50,000 or more	140	*5	-	-	-	-	*4	*18	113
Without itemized deductions	24,660	4,997	5,215	4,446	3,639	3,839	2,158	341	*24

*Estimate should be used with caution because of the small number of sample returns on which it is based.
1/Includes returns with no adjusted gross income.
NOTE: Detail may not add to total because of rounding.

Sole Proprietorship Returns, 1984

By Raymond Wolfe*

For Tax Year 1984 and for the second consecutive year, nonfarm proprietors reported the highest level of annual profits in more than a decade [1]. As can be seen below, this continued the upward trend in profits that began with 1983 [2].

Tax Year	Net income less deficit (billions)
1974	$39.0
1976	44.4
1978	53.5
1980	54.9
1981	53.1
1982	50.6
1983	60.4
1984	70.8

The increase in reported profits for 1984 was shared by proprietorships in all industrial divisions except trade [3]. Industries in several divisions realized increases in profits that were more than 30 percent higher than the previous year, as shown in Figure A below [4].

Figure A.--Profits by Industrial Division, 1983 and 1984

Industrial Division	1983 (billions)	1984 (billions)
Mining	$0.3	$0.3
Construction	7.3	10.1
Manufacturing	1.1	1.4
Transportation and Utilities	2.3	3.3
Trade	8.1	7.7
Finance, Insurance and Real Estate	7.8	9.4
Services	32.0	36.8

The decrease in profits for the trade division resulted from a 12 percent drop in retail profits. This drop counteracted the 21 percent gain in profits reported by wholesalers.

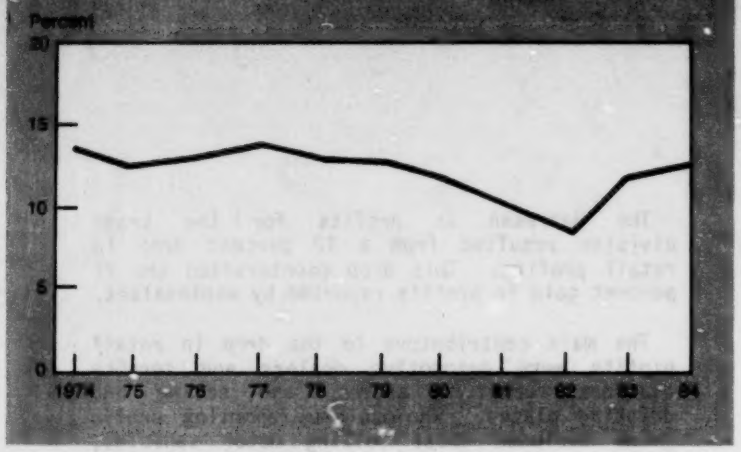
The main contributors to the drop in retail profits were automotive dealers and service stations furniture stores, and eating and drinking places. Wholesalers reporting profit gains included those selling motor vehicles, lumber and construction materials, and farm-product raw materials. Increases in profits were reported by all major groups of service industries.

The number of individual income tax returns reporting nonfarm sole proprietorship activity increased by 5.2 percent, from 10.7 million for 1983 to 11.3 million for 1984. Proprietorship business returns increased in number in all industrial divisions except manufacturing and trade. The number of returns reporting manufacturing and trade activity dropped 3 percent and 1 percent, respectively. However, the increase in the number of returns reporting business activity in the construction and service industries more than compensated for the small declines in manufacturing and trade. This was a continuation of the long-term upward trends in the number of proprietorships engaged in these activities. These trends may have, in part, resulted from favorable interest rates and the continued shift to an economy in which service industries play an increasingly important role.

Just as profits rose, so did the total receipts on which they were based. Reported receipts increased 10.9 percent, from $465 billion for 1983 to $516 billion for 1984. This increase represented a gain in real (1982) dollar sales of $47.1 billion [5]. The percentage ratio of profits to receipts also continued to rise, as Figure B shows. Other detailed industry statistics and income statement items on nonfarm sole proprietorships are presented in Tables 1 and 2.

*Individual Returns Analysis Section. Prepared under the direction of Susan Hostetter, Chief.

Figure B
Percentage Ratio of Profits to Receipts, 1974-1984



SUMMARY

In summary, the continuing improvement in the economic climate in 1984 produced good results for most nonfarm sole proprietors. Overall, compared with 1983, larger amounts of receipts and profits were reported by a larger number of proprietorships.

DATA SOURCES AND LIMITATIONS

A general description of sampling procedures and data limitations applicable to the Statistics of Income (SOI) tabulations is contained in the Appendix to this report. Specific information applicable to 1984 sole proprietorship data is presented below.

Sample Selection Criteria

The 1984 sole proprietorship estimates are based on a sample of individual income tax returns, Forms 1040, processed by the Internal Revenue Service (IRS) during 1985. The sample was stratified based on presence or absence of Schedule C, Profit (or Loss) from Business or Profession; Schedule F, Profit (or Loss) from Farm; the larger of total income or total loss; and size of business plus farm receipts. The returns were selected at rates that ranged from 0.02 percent to 100 percent. For 1984, there were 34,855 nonfarm sole proprietorship returns in the sample drawn from a population of 11,707,742. The corresponding totals for 1983 were 33,272 and 11,132,732 returns.

Limitations

Because the data presented in this article are estimates based on a sample of returns filed with the IRS, they are subject to sampling, as well as nonsampling, error. To use the statistical data provided properly, the magnitude of the potential sampling error must be known.

Approximate coefficients of variation (CV's) for frequency estimates are presented in the following table. These CV's can be used to obtain measures of the potential sampling error. They are shown here only as a general indication of data reliability. For numbers other than those shown, the corresponding CV's can be estimated by interpolation. The reliability of estimates based on samples and the use of CV's for evaluating the precision of sample estimates are discussed in the Appendix.

Estimated Number of returns	Approximate CV
7,577,000	.015
4,262,000	.020
681,900	.050
170,500	.100
42,000	.200
18,900	.300
13,900	.350
6,800	.500

NOTES AND REFERENCES

[1] Unless otherwise noted, all money amounts in this article are as reported and are not adjusted for inflation.

[2] Profits are represented by net income less deficit. Net income less deficit was the sum of net income (for businesses reporting a profit) offset by the net deficit (for businesses reporting a loss) for all businesses within a particular industrial classification. Net income or net loss for each business was business receipts minus cost of sales and operations and business deductions. Changes in the SOI sole proprietorship program and in the tax laws affect the comparability of data for different tax years. A tax law change of particular relevance to sole proprietors affected the rules governing the calculation of the depreciation deduction. Chief among these changes was the extension of the recovery period for real property placed into service after March 15, 1984. For such property, the period under the accelerated cost recovery system (ACRS) was extended from 15 years to 18 years. Other changes included the reduction in the maximum amount deductible for depreciation of passenger automobiles and the limitation on the amount which could be expensed currently.

Tax law changes for other recent years and changes in processing that affected the year-to-year comparability of data are described in detail in Wilson, Robert A., "Unincorporated Business Activity for 1981," Statistics of Income Bulletin, Spring 1983; in Wolfe, Raymond M., "Sole

Proprietorship Returns, 1982," Statistics of Income Bulletin, Summer 1983; and in the annual editions of the Statistics of Income, Sole Proprietorship Returns and Statistics of Income, Individual Income Tax Returns series of statistical reports.

For a discussion of trends in the SOI Partnership statistical series, see "Partnership Returns, 1984" in this edition.

[3] For purposes of this article, sole proprietors and sole proprietorships are used interchangeably. In fact, there were slightly more sole proprietorships than sole proprietors because some individuals owned more than one business. Over the past two decades, the ratio of proprietorships to proprietors has remained constant at approximately 1.1 to 1. For a fuller explanation of the relationship between proprietors and proprietorships see, Statistics of Income--1981, Sole Proprietorship Returns.

[4] Agricultural services have been omitted as a group because of their close relationship to farming industry data, which are not tabulated on an annual basis. For Tax Year 1982 (the latest year for which detailed data are available), the number of farm returns was 2,691,722, and the number of returns with agricultural service businesses was 211,282. Reported receipts were $99.3 billion and $7.3 billion, respectively.

[5] Constant dollars were based on the Gross National product implicit price deflator (1982 = 100; 1984 = 108.2) calculated by the U.S. Department of Commerce, Bureau of Economic Analysis. For discussions of the deflator, see: U. S. Department of Commerce, Survey of Current Business, U.S. Government Printing Office, April 1986, Vol. 66, No. 4.

Table 1. — Nonfarm Sole Proprietorship Businesses: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industry, 1984

[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All nonfarm industries	11,262,390	516,036,944	23,900,034	14,278,260	11,025,276	47,695,007	70,766,610	8,002,865	421,536,357	15,225,936	10,415,707	5,957,742	38,012,253	89,849,570
Agricultural services, forestry, and fishing	322,924	10,700,001	950,230	255,014	282,149	1,202,251	900,369	191,896	8,105,033	562,071	159,733	181,374	893,652	1,644,856
Agricultural services	241,546	8,604,319	678,191	184,115	209,143	1,007,025	712,938	148,994	6,731,381	399,023	152,977	150,396	798,204	1,228,387
Veterinary services	16,367	1,542,876	109,685	34,741	56,166	308,774	324,601	14,686	1,493,491	103,998	34,741	55,584	300,876	329,239
Livestock breeding	10,572	129,663	40,554	960	7,268	2,577	– 111,324	1,140	70,753	*321	*56	*113	*58	4,803
Animal services, except livestock breeding and veterinary	64,345	1,849,085	143,275	34,438	42,454	113,218	– 26,016	33,037	1,112,816	56,198	28,953	20,982	64,982	185,042
Landscape and horticultural services	124,711	3,871,420	319,356	95,824	61,410	496,382	452,951	82,697	3,126,249	208,572	84,357	41,051	395,346	580,459
Other agricultural services	25,551	1,211,275	65,322	18,152	41,845	86,074	72,727	17,434	928,073	29,934	4,870	32,667	46,982	129,844
Forestry	27,641	1,325,112	143,008	49,600	39,056	160,153	115,981	18,042	771,327	112,329	*4,800	20,030	81,809	169,884
Fishing, hunting, and trapping	53,737	770,570	129,030	21,299	33,950	15,074	71,449	24,860	602,324	50,719	*1,956	10,946	*13,639	246,585
Mining	153,445	13,190,105	1,113,204	135,220	664,214	733,525	364,844	84,445	9,696,067	630,485	65,367	225,547	529,274	1,773,093
Metal mining	4,519	18,124	12,603	1,436	809	*920	– 12,190	*1,159	*16,571	*6,022	*231	*482	*166	*3,174
Coal mining	717	345,535	24,157	1,711	5,272	38,881	42,715	650	318,493	20,311	1,509	4,566	32,781	51,471
Oil and gas extraction	146,037	12,723,541	1,064,207	131,061	656,930	675,194	361,184	82,361	9,273,323	599,692	63,220	220,229	479,646	1,702,823
Nonmetallic minerals, except fuels	2,172	102,905	12,838	1,014	1,203	18,531	– 26,865	275	87,620	4,460	*407	268	16,676	15,625
Construction	1,386,099	66,311,253	2,633,745	641,263	1,149,078	10,120,376	10,126,530	1,169,865	57,038,934	2,022,119	544,176	740,101	8,669,992	11,452,306
General building contractors and operative builders	342,827	23,321,387	827,267	131,668	590,062	2,908,539	2,939,735	282,354	19,190,576	592,119	106,432	327,751	2,379,589	3,504,393
General building contractors	339,491	23,155,300	826,739	131,516	570,098	2,907,078	2,933,606	279,531	19,140,518	592,079	106,432	310,791	2,379,585	3,487,065
Operative builders	3,336	166,087	528	*152	19,964	*1,461	6,129	*2,823	*50,058	*40	—	*16,961	*4	*17,298
Heavy construction contractors	46,117	3,837,632	201,937	28,775	83,802	605,749	474,361	38,257	3,250,869	165,781	24,624	57,890	567,513	557,379
Highway and street construction	6,812	640,248	39,288	*609	*5,040	138,136	70,415	6,303	631,504	36,790	*524	*4,726	*137,620	82,292
Heavy construction, except highway	39,305	3,197,384	162,650	28,166	78,762	467,613	403,947	31,954	2,619,366	128,991	24,100	53,162	429,893	475,087
Special trade contractors	992,092	39,080,293	1,601,102	475,978	472,056	6,599,883	6,678,697	844,727	34,532,454	1,263,117	408,304	351,607	5,720,609	7,349,786
Plumbing, heating, and air conditioning	95,466	6,844,907	214,267	45,537	58,867	970,177	766,862	72,663	5,722,132	178,148	31,954	44,969	756,145	869,031
Painting, paper hanging, and decorating	180,209	5,266,138	164,851	63,965	36,902	884,515	1,184,957	159,989	4,790,365	136,820	50,236	32,079	856,628	1,231,302
Electrical work	93,695	4,039,411	151,528	30,451	55,767	522,726	519,225	64,546	3,545,225	100,301	23,664	26,245	491,243	658,307
Masonry, stonework, tile setting, and plastering	71,408	4,312,721	149,231	83,936	53,443	1,212,632	653,085	60,579	3,403,148	114,643	74,195	32,028	827,766	717,165
Carpentering and flooring	312,842	6,985,992	276,067	80,084	67,455	805,182	2,043,236	287,926	6,373,217	240,345	73,304	57,455	727,723	2,116,119
Roofing and sheet metal work	58,539	3,718,266	103,383	33,907	20,516	827,010	503,330	53,504	3,664,062	102,680	33,886	20,470	822,437	520,175
Concrete work	18,410	1,589,371	72,064	40,792	16,143	343,466	111,855	14,481	1,529,230	60,255	40,290	15,231	331,545	142,123
Water well drilling	7,245	377,729	52,561	*240	*15,286	*20,695	26,785	*5,032	*260,140	*8,478	*66	*738	*20,089	*46,447
Miscellaneous special trade contractors	154,278	5,945,756	417,149	97,067	147,657	1,013,458	869,362	126,007	5,244,935	323,447	80,706	122,391	887,035	1,047,122
Contractors not allocable	*5,063	*71,940	*3,439	*4,842	*3,159	*6,204	*33,737	*4,527	*65,034	*1,102	*4,816	*2,853	*2,281	*40,775
Manufacturing	320,106	18,176,274	996,303	651,070	433,823	2,999,680	1,435,916	187,616	13,819,336	550,458	508,758	159,466	2,421,745	2,162,847
Food and kindred products	5,628	922,036	46,491	15,393	15,686	25,370	19,806	*3,962	*321,785	*18,643	*9,420	*3,790	*6,754	*47,865
Textile mill products	*1,986	*49,933	*3,946	*1,421	*438	*2,512	*16,765	*207	*48,416	*3,464	*1,398	*400	*2,485	*18,420
Apparel and other textile products	26,584	592,268	39,738	15,616	3,208	163,277	126,223	21,564	560,995	14,006	14,560	*1,497	163,230	156,113
Lumber and wood products, except furniture	65,061	3,894,668	258,704	100,505	123,995	443,507	309,621	41,319	2,481,863	130,222	90,174	39,557	250,606	446,990
Furniture and fixtures	14,566	407,798	17,869	*17,179	*1,959	*92,301	48,067	7,883	359,725	*5,516	*5,218	*1,074	*91,509	86,635
Printing, publishing, and allied industries	68,566	3,334,524	233,489	93,925	161,813	653,081	160,913	31,405	2,061,511	115,885	44,258	36,456	430,166	392,906
Chemicals and allied industries	2,396	*36,574	*541	*16	*207	*3,353	5,002	*1,119	*36,336	*541	*16	*207	*3,353	*10,755
Leather and leather products	*2,210	*10,627	*862	*45	*220	*1,346	*– 456	*1,708	*10,177	*384	*45	*220	*1,346	*839
Stone, clay, and glass products	18,157	478,948	51,084	14,408	*28,465	*52,155	22,386	9,642	170,530	*13,786	*8,319	*4,432	*10,901	48,244
Primary metal industries	4,972	589,018	18,742	*11,441	*7,722	*163,475	122,577	4,433	580,379	*17,779	*11,422	*7,722	*163,456	124,172
Fabricated metal products	17,101	1,223,291	73,272	40,430	19,699	269,794	142,090	13,107	894,288	62,862	29,496	11,166	244,340	170,711
Machinery, except electrical	22,467	2,010,082	135,216	67,077	47,625	357,872	39,156	9,178	1,807,207	84,777	43,126	36,269	191,027	119,432
Electrical and electronic equipment	9,459	446,143	18,049	1,736	5,000	21,722	49,612	5,571	433,380	4,720	*1,459	*3,010	*20,434	67,590
Transportation equipment	2,732	55,836	*5,651	*773	*752	*1,317	6,216	*1,615	*52,809	*5,191	*12	*442	*636	*15,436
Other manufacturing industries	55,805	4,078,669	90,339	270,828	17,028	746,450	347,894	33,116	3,954,631	70,555	249,678	13,220	740,182	424,584
Manufacturing not allocable	2,296	45,836	*2,289	*276	*7	*2,169	20,042	*1,787	*45,303	*2,141	*159	*1	*1,315	*32,154
Transportation, communication, electric, gas, and sanitary services	572,325	29,067,904	2,424,113	637,712	768,634	2,748,725	3,271,595	430,270	23,127,966	1,655,966	466,177	500,440	1,784,344	4,142,118
Local and interurban passenger transit	59,920	957,061	71,527	70,781	32,707	*23,819	299,431	53,597	900,629	66,898	68,162	31,379	*17,996	308,573
Taxicabs	42,975	600,100	*22,031	69,269	*22,667	—	196,432	38,453	569,758	*19,463	*67,252	*22,639	—	200,823
Other passenger transportation	16,945	356,960	49,496	*1,511	10,039	*23,819	102,999	15,144	330,871	47,436	*910	*8,740	*17,996	107,751

Footnotes at end of table.

Table 1. — Nonfarm Sole Proprietorship Businesses: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industry, 1984 — Continued

[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Transportation, communication, electric, gas, and sanitary services — Continued														
Trucking and warehousing	370,711	21,611,891	1,908,994	412,623	591,839	1,951,729	2,383,413	282,814	16,986,793	1,362,626	299,993	413,076	1,291,165	2,940,410
Trucking, local and long distance	369,780	21,511,118	1,901,075	411,962	583,216	1,940,973	2,394,079	282,775	16,938,792	1,362,266	299,974	413,002	1,290,329	2,937,722
Public warehousing and trucking terminals	931	100,773	7,919	*661	8,623	10,756	– 10,665	*39	*48,001	*359	*18	*74	*836	*2,688
Water transportation	12,106	160,856	55,245	3,143	14,881	2,096	– 5,424	7,553	106,836	7,973	*41	*936	*635	57,296
Air transportation	10,560	510,533	79,186	19,983	17,954	125,052	1,173	5,525	438,055	*33,046	*6,083	*745	*120,166	77,157
Transportation services	56,452	3,467,958	102,971	64,594	53,199	329,236	234,478	36,697	2,589,055	42,805	36,281	14,294	74,610	299,642
Passenger transportation arrangement	27,265	2,296,903	28,345	54,696	23,492	295,736	80,172	15,746	1,723,640	19,599	30,121	*5,301	*21,505	108,581
Freight transportation arrangement	6,414	474,889	12,364	*2,877	2,526	*15,083	89,376	6,385	460,423	*10,059	*2,782	*656	*14,122	95,725
Other transportation services	22,773	696,165	62,242	7,021	27,181	108,418	64,930	14,566	404,992	13,146	*3,376	*8,337	38,982	95,336
Communication	11,163	374,281	17,128	11,922	8,092	65,549	87,953	8,839	333,328	10,431	7,084	2,719	59,669	110,373
Electric, gas, and water services	4,034	101,383	22,230	*11,263	*2,352	*517	12,461	*1,746	*62,320	*2,443	*11,204	*1,522	*60	*22,078
Sanitary services	47,377	1,903,940	166,830	43,405	47,611	250,723	258,111	33,499	1,710,949	129,746	37,330	35,767	220,021	326,590
Wholesale and retail trade	**2,380,838**	**195,961,164**	**4,435,816**	**4,733,493**	**2,591,581**	**12,014,236**	**7,708,348**	**1,389,095**	**154,647,747**	**2,858,578**	**3,102,771**	**1,463,234**	**9,325,461**	**12,860,376**
Wholesale trade	224,603	29,760,685	555,178	262,519	286,709	1,345,849	1,633,015	158,503	24,367,424	332,390	179,150	170,961	1,115,216	2,099,836
Motor vehicles and automotive equipment	9,793	1,599,554	23,240	25,132	17,905	102,677	84,107	7,855	1,541,078	21,117	24,980	*14,245	99,324	105,036
Lumber and construction materials	10,933	1,164,616	12,833	1,070	14,304	20,713	99,776	6,992	1,116,391	7,857	*1,051	10,751	16,705	104,327
Electrical goods	9,102	351,792	6,645	7,526	10,397	10,450	99,317	7,320	344,273	5,045	7,401	10,155	9,517	104,109
Hardware, plumbing, and heating equipment	3,401	241,932	*12,028	*836	*1,435	*28,097	55,776	*2,124	*235,733	*11,135	*836	*1,421	*27,928	*56,455
Farm machinery and equipment	2,615	274,210	20,733	637	11,995	13,256	– 33,293	*1,149	*33,081	*301	*8	*539	*485	*7,752
Other machinery, equipment and supplies	32,910	2,981,296	95,002	38,219	60,109	590,725	335,476	24,600	2,504,503	70,527	12,946	51,625	579,462	400,775
Other durable goods	25,183	2,982,733	43,068	23,770	20,329	48,734	285,930	19,034	2,530,856	28,525	17,419	10,837	25,742	342,500
Drugs, chemicals, and allied products	5,960	598,302	3,199	*27,876	*38	*2,713	13,556	3,234	562,603	*2,906	*27,255	—	*1,891	29,453
Apparel, piece goods, and notions	12,012	1,035,757	26,404	10,865	3,642	*45,664	104,886	10,358	1,021,940	18,264	10,841	*3,069	*45,393	116,635
Groceries and related products	26,711	6,697,536	158,257	31,302	46,756	236,005	113,506	15,226	5,112,176	59,897	17,895	5,932	130,216	225,412
Farm-products raw materials	9,819	5,345,406	50,320	25,614	45,206	107,601	96,546	7,179	4,039,110	41,016	11,267	33,772	56,030	122,184
Alcoholic beverages	1,624	398,272	8,118	*4,977	*5,025	*20,542	42,146	*1,620	*384,896	*7,537	*4,717	*4,483	*19,214	*42,945
Other nondurable goods	53,869	5,056,265	73,443	53,843	36,078	60,205	200,182	35,062	3,940,122	41,022	31,943	16,025	46,203	274,870
Wholesalers not allocable	16,651	1,033,006	21,887	10,852	11,490	58,467	135,101	16,950	1,000,860	17,242	*10,593	*8,206	57,102	167,185
Retail trade	2,012,478	160,617,052	3,665,586	4,267,611	2,209,108	10,423,236	5,422,468	1,113,875	125,393,967	2,213,470	2,755,327	1,239,691	8,003,667	9,895,301
Building materials, paint, hardware, garden supply, and mobile home dealers	75,006	6,996,523	196,025	130,102	97,165	608,080	426,444	48,973	5,688,861	126,006	61,174	55,118	488,833	665,447
Lumber and other building materials dealers	18,183	2,100,442	56,157	24,159	44,785	226,520	96,421	10,807	1,771,532	37,331	11,094	29,248	193,979	159,738
Paint, glass, and wallpaper stores	9,448	986,692	*7,215	*59,885	*14,019	*57,932	62,371	*6,133	*598,460	*4,105	*11,492	*11,722	*11,856	*111,241
Hardware stores	19,974	1,789,292	43,534	22,617	13,242	134,432	147,966	12,123	1,563,310	23,846	*19,117	*7,433	132,418	190,552
Retail nurseries and garden supply stores	22,683	1,087,647	60,366	21,290	12,293	73,774	29,820	15,410	911,174	53,296	*17,343	*2,282	*40,805	102,886
Mobile home dealers	4,718	1,054,450	10,731	*2,151	12,826	*115,423	91,866	4,500	844,407	*9,428	*2,128	*4,434	*109,973	101,029
General merchandise stores	35,648	3,364,146	102,561	75,683	67,820	209,596	21,495	16,429	1,850,207	69,639	53,902	20,683	82,069	148,761
Variety stores	11,067	1,607,616	45,457	*36,980	22,240	94,989	62,129	*6,631	*1,175,726	*35,042	*37,686	*17,787	*64,134	*76,580
Other general merchandise stores	24,581	1,756,530	57,124	38,703	45,580	114,608	– 40,634	9,798	674,479	34,597	16,216	*2,916	17,954	72,201
Food stores	181,496	31,515,783	618,149	589,551	327,761	1,707,070	818,477	119,466	26,285,321	410,511	414,573	212,998	1,421,913	1,294,250
Grocery stores	94,782	23,056,063	359,102	298,819	237,442	1,260,285	445,961	64,851	19,349,136	238,273	242,391	153,398	1,087,648	731,649
Meat and fish markets, including freezer provisioners	19,558	2,697,011	32,683	48,325	9,513	80,161	94,036	13,987	2,401,556	25,463	36,061	*3,686	*69,114	137,159
Fruit stores and vegetable markets	10,463	1,332,838	24,736	20,339	4,056	34,616	46,781	9,143	1,242,534	21,165	16,591	*2,803	*29,161	78,317
Candy, nut, and confectionery stores	6,775	202,575	*12,162	*10,194	*4,116	*16,063	46,055	*4,523	*189,174	*11,876	*9,704	*4,073	*14,010	*50,304
Dairy products stores	6,852	731,943	36,401	*58,478	*6,019	*76,372	– 28,477	*36	*234,561	*3,666	*947	*1,592	*13,066	*5,942
Retail bakeries	10,665	365,814	*27,664	*21,232	*9,100	*1,072	56,331	*8,956	*305,717	*25,756	*20,964	*3,650	*677	*58,095
Miscellaneous food stores	32,401	3,109,538	125,401	132,184	57,511	238,502	157,791	17,906	2,562,641	84,293	87,916	43,666	*208,237	237,784
Automotive dealers and service stations	159,646	50,182,868	529,361	661,763	468,963	2,100,801	1,041,916	102,796	41,260,406	384,990	519,309	320,357	1,727,977	1,546,454
Motor vehicle dealers — new car dealers (franchised)	6,024	3,904,893	22,122	16,091	21,099	124,953	79,066	5,011	3,769,194	19,482	14,361	17,740	121,638	97,767
Motor vehicle dealers — used cars only	46,661	8,696,061	50,675	66,303	136,531	146,886	232,457	31,905	6,305,543	28,097	59,919	63,130	117,285	362,457
Auto and home supply stores	23,224	4,185,031	68,029	56,810	65,479	335,305	186,777	15,024	3,781,754	61,454	53,445	56,015	326,548	217,843
Gasoline service stations	61,859	31,152,214	325,002	475,816	183,015	1,319,913	540,807	43,297	25,969,246	249,048	378,941	148,966	1,049,570	757,154
Boat dealers	5,635	133,892	16,807	*17,871	13,225	*2,665	– 16,082	*2,258	*30,150	*616	—	*272	—	*18,781
Recreational vehicles	*2,887	*136,515	*9,662	*244	*7,627	*4,146	*6,918	*1,741	*120,219	*6,153	*240	*8,742	*4,115	*10,591
Motorcycle dealers	*1,947	*879,087	*10,280	*12,530	*23,453	*66,222	*27,162	*839	*878,045	*9,660	*12,397	*23,452	*66,222	*28,146
Miscellaneous aircraft and automotive dealers	7,389	1,095,176	26,764	14,099	18,535	*78,710	– 15,192	*2,720	*406,255	*10,477	*7	*4,040	*20,624	*33,924

Footnotes at end of table.

Table 1. — Nonfarm Sole Proprietorship Businesses: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industry, 1984 — Continued

[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Wholesale and retail trade — Continued														
Retail trade — Continued														
Apparel and accessory stores	61,338	6,508,858	107,355	233,979	107,114	509,198	521,065	44,146	5,774,437	79,880	178,560	69,483	447,942	657,709
Men's and boys' clothing and furnishings stores	*1,645	*648,561	*5,277	*27,694	*1,722	*37,406	*59,410	*1,645	*648,561	*5,277	*27,694	*1,722	*37,406	*59,410
Women's ready-to-wear stores	7,576	1,253,745	16,706	58,022	13,091	159,256	121,063	6,418	1,163,851	14,944	50,762	9,191	144,780	128,045
Women's accessory and specialty stores	9,438	93,997	*353	*11,503	*154	*1,286	34,398	*6,433	*74,167	*287	*9,048	*4	*904	*39,131
Children's and infants' wear stores	*512	*13,865	*198	*2,170	*394	*778	*–3,656	*6	*1,546	*34	*190	*13	*38	*225
Family clothing stores	12,788	1,027,702	21,327	25,668	28,161	97,986	30,424	7,647	756,890	10,821	*7,444	*10,779	73,174	87,206
Shoe stores	7,034	854,917	14,517	35,746	*13,670	*72,276	65,972	*5,746	*813,102	*12,479	*31,977	*13,650	*64,130	*87,484
Furriers and fur shops	*2,223	*487,572	*140	*1	*2,111	*3,258	*26,296	*2,217	*481,063	*65	—	*1,965	*3,258	*26,785
Apparel and accessory stores, not elsewhere classified	20,122	2,128,499	48,840	73,174	47,811	136,952	167,158	14,032	1,835,237	35,753	51,445	32,158	124,252	229,444
Furniture and home furnishings stores	90,361	6,956,804	171,568	298,944	142,432	540,457	427,927	58,869	4,941,045	98,078	181,720	55,466	436,932	661,866
Furniture stores	29,208	2,196,915	69,663	122,634	65,809	124,032	143,959	13,947	1,180,248	32,798	50,885	9,679	49,170	284,021
Floor covering stores	14,135	1,690,025	33,532	34,491	23,233	155,737	64,756	9,096	1,087,086	12,578	9,917	*9,549	151,197	77,749
Drapery, curtain and upholstery stores	17,508	720,096	7,132	*20,728	*10,380	*100,292	93,865	15,803	719,853	6,850	*20,685	*10,380	*100,292	94,342
Home furnishings and equipment stores, except appliances	8,895	568,129	19,735	31,184	9,608	55,863	67,712	7,130	557,878	15,736	*30,688	*8,309	*53,523	80,540
Household appliance stores	8,395	496,971	7,962	38,811	3,174	27,967	42,200	5,037	479,660	7,044	39,094	*3,135	27,287	51,546
Radio and television stores	7,276	939,978	23,678	31,979	25,721	63,069	7,570	4,626	652,448	13,535	*18,463	*10,537	*46,925	58,737
Music stores	4,944	344,690	9,867	19,117	*4,510	*13,477	7,866	3,230	263,853	9,540	*15,029	*3,880	*10,537	23,931
Eating and drinking places	238,366	21,753,276	934,924	1,220,932	456,065	2,862,061	281,363	121,124	13,616,817	469,599	719,704	173,057	1,870,903	1,330,014
Eating places	179,418	16,529,777	714,943	999,194	306,876	2,329,950	305,731	96,531	10,997,776	367,150	643,065	148,559	1,627,460	1,088,194
Drinking places	58,948	5,223,500	219,981	221,738	149,209	532,711	–24,347	24,593	2,621,041	82,449	76,620	24,498	243,443	241,821
Miscellaneous retail stores	1,150,427	32,914,148	998,703	1,050,739	534,537	1,862,257	1,849,078	594,917	25,844,594	560,994	622,578	330,073	1,524,362	3,522,630
Drug stores and proprietary stores	14,128	4,051,323	83,589	78,809	73,668	306,327	371,906	12,849	4,049,471	81,407	78,809	73,410	305,916	375,147
Liquor stores	21,120	5,226,631	92,308	92,872	76,702	173,672	108,170	13,560	3,436,545	44,219	53,363	35,649	65,066	150,735
Used merchandise stores	103,961	2,062,421	51,896	114,479	40,903	54,640	–104,644	41,610	1,150,626	10,716	28,751	27,834	31,979	181,947
Sporting goods and bicycle shops	26,731	1,328,975	41,084	37,570	26,730	44,731	198,818	18,655	1,235,537	35,369	33,444	25,992	*41,602	222,017
Book stores	12,529	685,294	19,665	46,846	3,148	55,355	73,731	8,146	622,305	*13,367	*40,190	*1,021	*50,853	91,046
Stationery stores	6,451	909,842	26,729	*26,373	*8,511	71,929	168,670	5,134	907,524	26,693	*26,321	*8,497	71,466	167,883
Jewelry stores	34,403	1,786,209	54,354	63,047	18,818	133,370	150,803	17,972	1,458,024	30,212	37,090	10,209	114,841	289,433
Hobby, toy, and game shops	13,537	411,797	26,202	30,276	*2,805	*20,214	–47,078	12,951	239,630	*5,054	*6,634	*1,122	*206	31,700
Camera and photographic supply stores	4,171	312,602	7,485	*73	*3,445	*126	–3,218	*77	*293,966	*423	*40	*1,003	*126	*6,832
Gift, novelty, and souvenir shops	40,892	1,834,645	90,978	185,936	65,405	281,954	99,300	22,336	1,257,163	56,791	80,347	34,880	257,464	189,506
Luggage and leather goods stores	*7,232	*32,611	*114	—	—	—	*6,376	*5,020	*31,085	*114	—	—	—	*6,519
Sewing, needlework, and piece goods stores	28,794	690,454	22,987	42,925	*21,870	*75,583	41,339	17,791	656,079	13,444	*34,878	*20,922	*73,676	62,495
Mail order houses	11,564	208,816	11,792	*11,852	*12,060	*22,634	–39,743	3,728	132,505	*6,224	*10,599	*2,548	*21,660	33,757
Merchandising machine operators	8,647	116,735	36,074	*4,113	*5,329	*6,260	–17,264	*1,858	*39,750	*1,530	*1,022	*126	*916	*10,950
Direct selling organizations	641,777	6,267,303	247,494	100,403	82,564	67,169	588,481	321,186	4,914,375	127,458	53,267	42,955	46,776	1,154,253
Fuel and ice dealers, except fuel oil dealers and bottled gas dealers	4,312	83,694	*5,464	*834	*6,004	*31,227	–18,675	*2,822	*37,919	*390	*33	*10	*21,295	*1,151
Fuel oil dealers	3,093	368,209	4,620	*81	*624	*3,907	12,519	1,896	333,540	3,001	*20	*220	*2,977	20,560
Liquified petroleum gas (bottled gas) dealers	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Florists	30,013	2,098,096	60,260	53,567	32,903	332,596	38,677	17,551	1,565,651	40,556	36,025	24,459	277,006	80,318
Cigar stores and stands	**	**	**	**	**	**	**	**	**	**	**	**	**	**
News dealers and newsstands	21,817	1,122,069	32,383	*12,527	*4,939	*54,135	55,826	16,780	855,083	*19,119	*12,491	*4,921	*53,643	98,735
Other miscellaneous retail stores	85,224	3,248,132	82,684	127,661	47,936	145,129	177,182	53,181	2,378,590	39,238	90,768	14,124	105,572	339,741
Retail trade not allocable	20,190	422,646	24,902	5,918	7,230	3,715	32,684	7,155	330,256	11,993	*3,806	*2,462	*717	78,171
Wholesale and retail trade not allocable	143,757	5,563,426	195,052	203,363	95,765	245,151	652,963	96,717	4,686,357	112,718	168,294	52,582	206,578	885,439
Finance, insurance, and real estate	**984,029**	**29,977,330**	**1,891,844**	**743,155**	**1,227,254**	**1,297,934**	**9,464,360**	**720,682**	**25,492,388**	**1,066,461**	**556,233**	**496,690**	**918,733**	**11,522,388**
Finance	90,509	3,526,812	156,986	90,090	222,725	110,085	894,898	64,903	2,656,622	102,657	52,386	52,045	80,272	1,299,777
Banking and miscellaneous finance	24,734	880,152	49,429	27,309	38,053	36,459	151,849	18,248	601,033	22,663	15,670	13,474	26,343	283,116
Credit agencies other than banks	6,291	372,092	30,134	12,170	8,625	10,802	102,486	5,152	303,432	*28,944	*11,862	*4,619	*10,257	115,392
Security and commodity brokers and services	59,484	2,276,568	77,423	50,611	178,048	62,824	640,533	43,503	1,751,267	51,050	24,854	33,952	43,671	901,269
Security brokers and dealers, except underwriting syndicates	36,453	1,217,580	53,149	28,943	110,418	26,272	417,743	27,518	916,539	37,374	15,620	10,249	13,584	562,009
Commodity contracts brokers, exchanges and services	23,031	1,058,977	24,275	21,666	67,630	36,552	222,790	15,985	834,748	13,676	9,234	23,702	30,106	339,260
Insurance agents, brokers, and service	289,175	10,544,250	436,073	351,682	196,814	647,215	3,452,316	225,972	9,705,211	343,691	315,715	146,253	596,812	3,734,148

Footnotes at end of table.

Table 1. — Nonfarm Sole Proprietorship Businesses: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industry, 1984 — Continued

[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Finance, insurance, and real estate — Continued														
Real estate	604,345	15,904,266	1,096,784	301,383	907,714	540,634	5,117,173	429,807	13,130,555	614,113	188,132	300,393	241,648	6,468,460
Operators and lessors of buildings	16,636	712,572	147,795	40,771	133,426	50,658	– 80,668	10,343	285,766	42,871	14,696	28,210	13,048	80,367
Lessors, other than buildings	4,996	112,246	26,542	182	14,351	1,493	6,250	1,274	85,555	1,799	*26	*485	*586	46,875
Real estate agents, brokers, and managers	572,759	14,546,536	899,832	248,985	661,375	480,426	5,150,915	411,608	12,433,939	562,019	167,463	250,160	215,487	6,204,911
Title abstract companies	*3,830	*67,736	*208	*623	*302	*1,122	*41,591	*2,720	*53,596	*46	*206	*123	*862	*46,665
Subdividers and developers, except cemeteries	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Cemetery subdividers and developers	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Combined real estate, insurance, loans, law offices	4,247	117,640	7,465	5,804	19,655	*3,908	15,290	2,958	74,271	3,512	*4,563	*489	*423	37,407
Services	**4,999,999**	**147,438,459**	**9,454,843**	**6,363,720**	**3,691,420**	**16,476,543**	**36,825,238**	**3,734,292**	**125,923,503**	**6,013,164**	**4,863,456**	**2,149,372**	**13,430,327**	**43,240,345**
Hotels and other lodging places	42,181	3,490,165	604,233	55,906	529,684	390,595	– 189,195	14,739	2,031,572	223,816	40,995	176,230	231,071	264,667
Hotels	1,633	301,694	47,378	6,501	44,136	39,722	– 68,619	84	115,335	7,902	577	*5,897	15,804	21,840
Motels, motor hotels, and tourist courts	23,726	2,504,982	413,823	32,542	358,816	280,582	– 6,535	10,479	1,620,895	198,086	24,413	156,596	165,134	180,773
Rooming and boarding houses	4,764	95,241	*11,673	*616	29,762	*4,669	– 44,065	*503	*4,013	*156	*340	*166	*240	*594
Sporting and recreational camps	5,549	293,907	43,869	796	21,486	48,583	– 16,881	2,972	213,561	*11,696	*567	*10,978	*43,066	27,596
Trailering parks and campsites for transients	5,390	280,506	85,203	15,256	73,350	14,235	– 46,897	701	77,767	5,974	*15,097	2,592	6,827	23,855
Organizational hotels and lodging houses on a membership basis	*1,117	*13,832	*2,267	*197	*2,128	*2,785	*– 6,598	—	—	—	—	—	—	—
Personal services	925,751	15,006,471	1,009,819	1,247,066	335,946	2,389,350	2,832,784	741,475	11,904,919	803,745	922,901	202,514	1,744,015	3,481,771
Coin-operated laundries and dry cleaning	24,196	1,263,396	171,727	105,529	59,022	164,780	70,218	13,250	826,159	80,268	49,248	*24,543	*121,472	149,049
Other laundry, cleaning, and garment services	37,936	1,895,724	117,277	126,204	34,126	349,046	183,510	27,134	1,383,282	82,279	86,696	29,166	273,496	238,535
Photographic portrait studios	83,277	1,578,173	143,577	86,140	19,241	92,941	73,325	39,000	1,077,823	63,476	66,894	13,795	67,815	158,769
Beauty shops	245,467	5,159,875	262,406	481,103	76,985	1,327,980	1,120,081	212,047	4,403,160	185,211	395,673	64,666	1,017,512	1,230,877
Barber shops	73,957	1,134,494	26,826	122,901	*4,750	*125,443	500,695	72,248	1,044,706	17,456	122,860	*4,680	*73,203	508,065
Shoe repair and hat cleaning shops	*8,435	*292,123	*6,963	*43,990	*1,686	*33,841	*67,315	*6,729	*289,559	*6,963	*42,557	*1,686	*33,841	*68,262
Funeral service and crematories	5,971	566,661	21,135	*67,616	*15,407	31,466	66,571	3,121	299,816	*12,546	*3,152	*2,117	*15,316	111,551
Miscellaneous personal services	446,512	3,113,824	259,906	213,581	124,726	243,847	751,069	367,946	2,578,613	135,541	155,803	61,862	141,557	986,662
Business services	1,456,137	35,179,326	2,489,625	805,141	894,627	3,593,827	8,490,464	1,075,995	28,876,522	1,402,510	523,546	438,856	2,877,900	10,497,833
Advertising	85,457	2,278,051	106,375	41,384	30,219	80,624	564,901	50,842	2,091,283	60,939	34,652	12,117	60,800	641,846
Services to buildings	197,656	2,719,536	115,363	35,850	23,545	570,563	727,273	170,774	2,393,634	92,131	27,932	16,752	477,715	804,758
Computer and data processing services	84,662	2,015,187	152,904	46,829	36,856	58,340	494,302	55,873	1,339,905	75,801	32,983	11,507	24,131	636,255
Management and public relations	488,896	10,998,842	657,234	310,363	343,118	956,959	4,622,767	372,114	9,718,674	397,314	194,319	166,188	810,047	5,237,748
Equipment rental and leasing	46,622	1,850,686	581,255	53,251	205,896	99,216	– 129,596	18,141	1,415,622	225,791	38,379	86,813	80,360	228,518
Other business services	572,844	15,317,022	876,494	317,465	254,997	1,828,125	2,210,816	408,451	11,917,404	550,533	195,282	143,480	1,424,828	2,950,705
Automobile repair and services	281,363	16,084,694	831,643	655,429	399,263	1,693,307	1,427,783	206,861	12,399,933	517,634	407,626	204,873	1,144,627	1,811,874
Automobile rentals, without drivers	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Automobile parking	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Automobile top and body repair shops	42,039	1,491,784	70,760	82,046	18,300	96,276	234,430	26,330	1,301,798	60,701	73,459	10,358	82,009	257,795
General automotive repair shops	154,320	9,978,871	365,459	376,567	265,940	1,115,732	843,320	114,145	7,175,146	236,351	177,106	122,706	636,003	1,050,589
Other automotive repair shops	27,070	1,348,209	47,677	61,873	10,321	236,226	175,726	23,237	1,269,356	39,671	47,498	10,313	218,654	197,225
Automotive services, except repair	48,782	2,644,718	173,590	128,740	57,621	231,452	179,191	36,797	2,394,333	112,157	106,012	39,264	196,894	255,925
Miscellaneous repair services	290,469	9,947,406	560,935	239,686	172,669	982,252	1,460,006	211,373	9,102,554	456,805	204,933	159,513	917,864	1,985,533
Radio and TV repair shops	22,988	961,807	57,061	*26,812	*16,498	*79,214	136,613	17,289	951,501	47,363	*23,212	*16,498	*79,214	157,104
Electrical repair shops, except radio and TV	34,875	1,129,362	51,195	20,133	10,357	99,094	168,726	25,835	1,004,051	42,433	11,934	9,813	99,094	184,806
Reupholstery and furniture repair	42,177	805,972	34,305	40,171	17,071	107,703	163,379	33,662	767,454	31,304	38,685	14,541	*107,702	183,487
Other miscellaneous repair shops	190,449	7,050,265	418,375	152,570	128,742	696,241	991,286	134,587	6,379,548	335,485	131,102	118,662	631,654	1,140,136
Motion pictures	26,931	1,140,851	153,832	62,177	54,893	117,046	– 6,627	11,064	724,822	83,444	29,066	28,277	*46,526	129,432
Motion picture production, distribution, and services	24,476	782,113	111,235	40,421	31,748	45,079	22,396	10,527	648,781	76,250	26,410	25,847	*38,378	117,515
Motion picture theaters	*2,455	*358,738	*42,596	*21,756	*23,145	*71,967	*– 29,023	*537	*76,040	*7,194	*2,678	*2,430	*10,148	*11,918
Amusement and recreation services, except motion pictures	346,662	5,609,021	620,450	198,313	148,519	434,836	227,653	179,762	4,268,957	261,005	116,925	53,702	332,531	1,291,578
Producers, orchestras, and entertainers	171,165	2,345,640	196,043	59,943	35,067	216,891	416,926	94,542	1,810,845	111,826	44,690	13,511	193,105	696,089
Billiard and pool establishments	*1,114	*80,444	*1,487	*5,355	—	*8,137	*14,031	*1,114	*80,444	*1,487	*5,355	—	*8,137	*14,031
Bowling units	1,456	*264,277	*32,497	*12,033	*1,436	*4,390	32,523	*1,283	*256,947	*30,063	*10,173	*102	*2,295	*37,179
Professional sports clubs and promoters	7,709	63,252	845	*2,785	*591	*229	10,860	4,946	59,184	*275	*1,563	—	—	19,751
Racing, including track operation	58,381	714,122	197,291	18,185	26,917	33,052	– 419,214	10,572	396,193	16,990	*7,141	4,015	*1,917	144,196
Other amusement and recreation services	108,777	2,141,286	192,287	100,011	84,508	172,137	172,524	67,305	1,665,344	100,361	48,012	36,074	127,077	360,334

Footnotes at end of table.

Table 1. — Nonfarm Sole Proprietorship Businesses: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industry, 1984 — Continued

[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Rent paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Services — Continued														
Medical and health services	481,743	32,457,604	1,568,405	1,626,566	632,607	4,045,017	12,983,952	416,071	30,581,462	1,322,616	1,494,759	518,975	3,547,541	13,341,581
Offices of physicians	149,415	13,141,972	600,412	610,632	176,876	1,262,950	6,662,367	129,893	12,586,577	489,716	570,607	132,202	1,147,321	6,805,811
Offices of dentists	77,439	8,579,980	412,225	446,444	187,229	1,414,996	2,966,216	68,336	8,329,876	375,543	405,297	175,496	1,359,756	3,020,600
Offices of osteopathic physicians	*1,001	*37,959	*1,291	—	*147	*6,513	*19,859	*1,001	*37,959	*1,291	—	*147	*6,513	*19,859
Offices of chiropractors	18,926	1,791,404	103,081	123,266	50,958	219,362	604,721	17,319	1,748,632	99,928	113,334	50,966	211,821	631,379
Offices of optometrists	16,919	1,618,812	70,365	102,828	6,741	137,695	365,450	14,709	1,496,887	67,855	89,729	6,966	119,273	375,899
Registered and practical nurses	57,378	802,328	14,214	*4,500	*7,151	*2,902	325,675	52,611	782,992	11,698	*3,525	*6,725	*2,888	329,942
Nursing and personal care facilities	32,415	1,812,106	110,534	63,276	107,344	605,632	108,150	23,932	1,111,674	48,936	55,165	55,990	312,585	163,939
Hospitals	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Medical laboratories	**	**	**	**	**	**	**	**	**	**	**	**	**	**
Dental laboratories	15,248	547,923	39,012	*35,381	*9,552	*70,856	162,881	13,637	545,524	35,870	*35,381	*9,383	*70,856	169,764
Other medical and health services	111,980	4,095,953	213,848	240,112	85,447	320,950	1,711,214	94,121	3,915,912	190,946	221,636	80,833	314,463	1,800,761
Legal services	226,124	12,611,230	521,343	793,849	153,200	1,366,833	5,108,702	184,663	11,843,396	401,984	696,816	122,198	1,301,203	5,389,638
Education services	178,459	1,806,100	137,763	107,291	43,885	134,490	369,356	128,256	1,229,406	75,763	69,964	25,586	70,537	514,215
Engineering and architectural services	126,040	3,283,240	218,081	117,863	49,096	326,863	1,251,777	104,666	3,060,380	130,209	92,735	38,659	275,813	1,449,899
Accounting, auditing, and bookkeeping services	248,175	3,924,736	328,923	219,944	135,629	360,905	1,463,250	207,303	3,591,640	261,915	197,563	93,821	337,106	1,547,462
Certified public accountants	30,370	813,509	76,939	45,337	29,183	95,113	281,660	24,677	768,514	61,482	40,920	25,196	91,593	305,960
Other accounting, auditing, and bookkeeping services	217,806	3,111,228	251,984	174,607	106,446	265,793	1,171,590	182,625	2,823,126	200,433	156,643	68,625	245,515	1,241,512
Other services	361,941	6,897,614	409,810	234,696	141,401	621,222	1,435,390	254,065	6,307,940	271,996	176,604	66,154	601,791	1,855,584
Nature of business not allocable	152,625	5,194,456	199,333	117,612	117,123	101,737	669,410	114,704	3,685,442	72,133	49,037	38,516	38,726	1,031,344

' *This estimate should be used with caution because of the small number of sample returns on which it was based.
**The estimate for this cell is not shown to avoid disclosure of information for specific taxpayers. However, the data are included in the appropriate totals.
NOTE: Detail may not add to total because of rounding.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All nonfarm industries	Agricultural services, forestry and fishing					Mining			Construction					
		Total	Livestock breeding	Animal services, except livestock breeding and veterinary	Landscape and horticultural services	Other agricultural services, forestry, and fishing	Total	Oil and gas extraction	Other mining	Total	General contractors and operative builders	Special trade contractors			
												Total	Plumbing, heating, and air-conditioning	Painting, paper hanging, and decorating	Electrical work
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Businesses with and without net income															
Number of returns	**11,262,391**	**322,824**	**10,572**	**84,345**	**124,711**	**123,296**	**153,445**	**146,037**	**7,408**	**1,386,099**	**386,944**	**902,092**	**95,466**	**180,269**	**93,885**
Business receipts, total	**516,036,944**	**10,700,001**	**129,663**	**1,849,085**	**3,871,420**	**4,849,833**	**13,190,105**	**12,723,541**	**466,564**	**66,311,253**	**27,159,819**	**39,080,293**	**6,844,907**	**5,266,136**	**4,033,411**
Income from sales and operations	507,234,292	10,550,941	122,939	1,780,354	3,858,910	4,808,737	12,732,414	12,278,176	454,238	65,895,777	26,937,607	38,876,395	6,840,789	5,246,957	4,006,496
Other business income	8,741,587	149,055	6,723	68,727	12,510	41,096	436,679	424,356	12,321	420,605	216,656	203,782	4,118	19,181	32,900
Windfall profit tax credit or refund	61,065	*5	*(1)	*5	—	—	21,011	21,004	*7	*4,870	*4,754	*116	*(1)	—	*16
Business deductions, total	**445,270,334**	**9,799,632**	**240,997**	**1,875,101**	**3,418,469**	**4,265,074**	**12,825,260**	**12,362,357**	**462,903**	**56,184,723**	**23,744,923**	**32,401,586**	**6,078,845**	**4,061,181**	**3,520,167**
Cost of sales and operations, total	229,905,980	3,421,089	74,449	809,102	1,378,871	1,157,667	3,918,899	3,799,703	119,196	32,282,692	14,836,682	17,437,049	4,071,920	2,077,222	2,083,046
Cost of labor	13,008,803	268,042	*23	*27,161	185,759	55,098	279,897	263,916	15,982	5,066,836	1,953,002	3,110,854	460,578	403,822	170,532
Bad debts from sales or services	499,543	2,855	*26	*23	*603	2,201	35,180	34,822	*358	34,520	21,814	12,703	*3,086	*2,385	*248
Car and truck expenses	17,523,807	479,084	3,501	59,291	282,855	133,437	183,356	177,998	5,358	3,059,897	665,422	2,191,855	311,810	348,619	222,429
Depletion	980,350	*1,711	*42	*8	—	*1,661	899,480	877,163	22,316	812	*263	543	*7	*280	—
Depreciation	23,900,034	950,230	40,554	143,275	319,356	447,046	1,113,804	1,064,207	49,596	2,633,745	1,029,206	1,601,102	214,267	164,551	151,528
Dues and publications	1,574,766	24,664	1,049	4,630	5,966	13,013	14,295	14,044	251	71,425	18,999	52,109	6,765	14,093	8,250
Interest on business indebtedness	11,025,276	282,149	7,266	42,454	61,410	171,017	664,214	656,930	7,284	1,149,078	673,864	472,056	58,867	36,902	55,767
Office expense	3,512,825	86,101	301	10,153	32,623	43,024	42,709	41,919	790	243,779	76,530	167,141	29,845	29,845	25,822
Pension and profit-sharing plans	258,070	*122	—	—	—	*122	30,312	27,909	*2,403	22,892	492	22,399	*2,273	*217	*1,956
Rent on business property	14,278,260	255,014	990	34,439	85,824	123,791	135,220	131,061	4,160	641,263	160,443	475,978	45,537	63,965	30,451
Net salaries and wages	34,686,204	934,209	2,554	86,057	310,623	534,975	453,626	411,279	42,349	5,051,540	1,561,286	3,189,030	489,600	480,893	352,195
Gross salaries and wages	35,045,329	978,142	2,572	99,423	341,167	534,981	453,731	411,362	42,349	5,094,015	1,563,066	3,229,723	489,600	483,707	367,392
Less: Jobs credit	359,125	*43,933	*18	*13,366	*30,544	*5	*103	*103	—	42,476	*1,782	*40,693	—	*2,814	*35,197
Windfall profit tax withheld	223,657	411	*33	*76	—	*302	188,230	188,002	*228	316	269	36	*1	*28	—
Other business deductions	106,901,581	3,361,993	110,246	685,588	929,339	1,636,819	5,145,933	4,937,321	208,612	10,992,762	4,499,653	6,479,795	844,047	863,897	608,466
Net income less deficit	**70,766,610**	**999,369**	**−111,324**	**−26,016**	**452,951**	**584,758**	**364,844**	**361,184**	**3,660**	**10,126,530**	**3,414,896**	**6,678,887**	**766,062**	**1,184,957**	**519,225**
Net income	89,849,570	1,644,856	4,803	185,042	580,459	874,552	1,773,093	1,702,823	70,270	11,452,305	4,061,743	7,349,788	969,031	1,231,302	658,307
Deficit	19,082,960	744,487	116,127	211,058	127,508	289,794	1,408,249	1,341,639	66,610	1,325,775	647,846	671,091	102,168	46,345	139,082
Businesses with net income															
Number of returns	**8,002,865**	**191,896**	**1,140**	**33,037**	**82,667**	**75,022**	**84,445**	**82,361**	**2,084**	**1,169,865**	**320,611**	**844,727**	**72,663**	**159,989**	**84,548**
Business receipts, total	**421,536,357**	**8,105,033**	**70,753**	**1,112,816**	**3,126,249**	**3,795,215**	**9,696,007**	**9,273,323**	**422,684**	**57,038,934**	**22,441,446**	**34,532,454**	**5,722,172**	**4,790,365**	**3,545,225**
Income from sales and operations	414,588,227	7,997,638	67,170	1,042,358	3,118,164	3,769,946	9,394,060	8,982,801	411,279	56,694,145	22,293,254	34,335,886	5,718,056	4,773,525	3,513,843
Other business income	6,896,776	107,395	*3,583	70,459	*6,085	25,269	289,025	277,626	11,398	340,050	143,469	196,550	*4,077	16,840	31,367
Windfall profit tax credit or refund	51,353	—	—	—	—	—	12,902	12,895	*7	*4,739	*4,722	*17	*(1)	—	*16
Business deductions, total	**331,686,786**	**6,460,177**	**65,948**	**927,774**	**2,545,790**	**2,920,664**	**7,922,914**	**7,570,500**	**352,414**	**45,586,629**	**18,379,703**	**27,182,666**	**4,853,102**	**3,589,963**	**2,896,919**
Cost of sales and operations, total	176,897,396	2,361,175	*60,372	345,617	1,023,337	931,849	2,683,874	2,579,706	104,166	26,084,127	11,702,329	14,378,299	3,203,231	1,741,089	1,723,655
Cost of labor	10,675,070	212,896	*6	*26,084	135,349	51,456	209,471	195,183	14,288	4,187,198	1,564,899	2,620,812	336,386	382,822	165,077
Bad debts from sales or services	286,990	679	*26	*20	*552	*82	10,359	10,119	*240	24,926	14,370	10,553	*1,433	*2,365	*248
Car and truck expenses	13,795,032	349,589	*27	39,963	209,637	99,961	141,469	137,867	3,582	2,654,769	741,943	1,910,460	260,675	323,760	159,251
Depletion	727,895	—	—	—	—	—	673,767	651,856	21,911	688	*174	*487	—	*254	—
Depreciation	15,225,936	562,071	*321	56,198	208,572	296,980	630,485	599,692	30,793	2,022,119	757,900	1,263,117	176,140	136,820	100,301
Dues and publications	1,215,579	18,089	*113	2,833	3,715	11,429	8,996	8,837	159	54,887	14,125	40,486	3,771	11,480	7,338
Interest on business indebtedness	5,957,742	161,374	*113	20,982	41,051	119,228	225,547	220,228	5,319	740,101	385,841	351,807	44,969	32,079	26,245
Office expenses	2,727,204	62,226	*23	6,092	19,120	36,991	30,222	29,799	423	185,005	55,519	129,414	22,754	18,992	20,172
Pension and profit-sharing plans	250,976	*122	—	—	—	*122	29,374	26,993	*2,381	22,866	487	22,382	*2,273	*217	*1,956
Rent on business property	10,415,707	159,733	*56	28,953	84,357	46,367	65,367	63,220	2,147	544,176	131,056	408,304	31,954	50,236	23,694
Net salaries and wages	27,337,183	680,756	*50	38,878	249,997	391,831	319,803	284,464	35,339	4,482,794	1,382,403	3,099,797	419,758	473,806	326,165
Gross salaries and wages	27,687,226	724,689	*68	52,244	280,541	391,836	319,803	284,464	35,339	4,525,119	1,384,182	3,140,343	419,758	476,620	361,362
Less: Jobs credit	350,043	*43,933	*18	*13,366	*30,544	*5	—	—	—	*42,325	*1,779	*40,546	—	*2,814	*35,197
Windfall profit tax withheld	168,608	*30	—	*30	—	—	146,432	146,222	*210	30	*18	*2	—	—	*(1)
Other business deductions	76,660,535	2,084,333	4,848	388,208	705,452	985,825	2,957,216	2,811,474	145,744	8,770,158	3,193,738	5,567,757	684,134	767,963	497,875
Net income	**89,849,570**	**1,644,856**	**4,803**	**185,042**	**580,459**	**874,552**	**1,773,093**	**1,702,823**	**70,270**	**11,452,305**	**4,061,743**	**7,349,788**	**969,031**	**1,231,302**	**658,307**

Footnotes at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Construction—Continued				Manufacturing					Transportation, communication, electric, gas, and sanitary services				
	Special trade contractors—Continued													
	Masonry, stonework, tile setting and plastering	Carpentering and flooring	Miscellaneous special trade contractors	Contractors not allocable	Total	Lumber and wood products, except furniture	Printing, publishing, and allied industries	Machinery, except electrical	Other manufacturing industries	Total	Local and interurban passenger transit	Trucking and warehousing	Other transportation	Communication, electric, gas, and sanitary services
	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)
Businesses with and without net income														
Number of returns	71,408	312,842	238,472	*5,063	220,106	65,061	68,589	22,467	163,992	572,325	59,920	370,711	79,126	62,574
Business receipts, total	4,312,721	6,985,992	11,631,124	*71,940	16,176,274	3,894,668	3,334,524	2,010,082	8,936,981	29,067,904	957,061	21,611,891	4,139,348	2,379,604
Income from sales and operations	4,310,217	6,918,242	11,553,694	*71,775	16,099,695	3,866,936	3,321,983	2,008,417	8,982,359	28,472,287	936,420	21,045,954	4,126,203	2,363,710
Other business income	2,502	67,745	77,335	*166	76,086	7,699	12,100	1,664	54,622	614,651	*20,641	564,972	13,145	15,894
Windfall profit tax credit or refund	*2	*5	*94	—	*494	*53	*441	—	—	*966	—	*966	—	—
Business deductions, total	3,659,635	4,942,756	10,119,792	*38,204	16,740,358	3,585,067	3,173,611	1,970,929	8,010,754	25,816,309	657,630	19,228,478	3,909,122	2,021,079
Cost of sales and operations, total	1,734,347	2,684,844	4,805,670	*6,962	8,462,866	1,186,094	1,445,694	1,221,671	4,609,410	5,301,337	*14,089	3,221,449	1,580,062	485,736
Cost of labor	377,050	595,477	1,083,596	*4,980	1,149,926	103,714	206,146	144,266	695,777	596,613	—	437,874	*81,584	77,156
Bad debts from sales or services	*381	*90	6,533	*4	10,695	*3,031	2,845	*1,881	2,938	6,337	*135	4,577	1,205	*420
Car and truck expenses	207,914	493,870	609,014	*2,819	507,855	211,123	83,589	32,432	180,711	3,178,710	91,266	2,735,236	180,075	172,131
Depletion	*23	*8	*218	*7	244	*99	*37	—	*106	755	—	729	24	*2
Depreciation	149,231	276,067	645,157	*3,439	998,303	258,704	233,486	135,216	368,894	2,424,113	71,527	1,908,994	237,405	206,187
Dues and publications	1,966	9,565	11,416	*317	49,186	1,013	9,416	1,363	37,393	59,513	16,773	27,346	9,930	5,462
Interest on business indebtedness	53,443	67,455	199,602	*3,159	433,823	123,995	161,813	47,625	100,391	768,634	32,707	591,839	86,033	58,055
Office expense	14,196	22,067	45,348	*108	90,944	19,444	37,263	6,502	27,736	103,993	1,019	62,352	26,510	14,113
Pension and profit-sharing plans	*15	*69	*17,870	—	862	*46	*122	*80	614	826	—	*39	*157	*633
Rent on business property	83,936	80,084	172,003	*4,842	651,070	100,505	93,925	67,077	389,562	637,712	70,761	412,623	67,719	86,589
Net salaries and wages	835,582	209,704	1,121,054	*1,224	1,849,754	339,794	446,913	213,584	849,463	2,152,111	*23,819	1,513,855	374,804	239,634
Gross salaries and wages	835,671	212,240	1,121,113	*1,224	1,935,307	424,179	446,947	214,530	849,651	2,161,121	*23,819	1,522,821	374,848	239,634
Less: Jobs credit	*89	*2,535	*59	—	85,554	*84,386	*34	*945	*188	*9,010	—	*8,966	*44	—
Windfall profit tax withheld	*1	*2	*5	*9	*851	*(1)	*1	*2	*847	389	—	*362	*6	*(1)
Other business deductions	578,578	1,098,910	2,485,897	*13,314	3,665,901	1,341,220	658,502	243,492	1,442,687	11,181,875	335,512	8,749,055	1,325,191	772,117
Net income less deficit	653,085	2,043,236	1,511,332	*33,737	1,435,916	309,621	160,913	39,156	926,227	3,271,595	299,431	2,383,413	230,226	358,525
Net income	717,165	2,116,119	1,757,866	*40,775	2,162,847	446,990	392,906	119,432	1,203,519	4,142,116	308,573	2,940,410	434,095	459,040
Deficit	64,079	72,883	246,534	*7,038	726,931	137,369	231,993	80,277	277,293	870,523	9,142	556,996	203,869	100,515
Businesses with net income														
Number of returns	60,579	287,926	199,024	*4,527	187,616	41,319	31,405	9,178	105,714	430,270	53,597	282,814	49,775	44,084
Business receipts, total	3,403,148	6,373,217	10,696,366	*65,034	13,819,335	2,481,863	2,061,511	1,607,207	7,468,754	23,127,966	900,629	16,986,785	3,133,948	2,106,597
Income from sales and operations	3,401,116	6,307,190	10,622,155	*65,004	13,753,343	2,476,086	2,050,819	1,605,701	7,420,737	22,760,343	879,992	16,664,458	3,123,763	2,092,130
Other business income	2,026	66,027	76,212	*31	65,551	5,777	10,251	1,506	48,017	366,657	*20,636	321,370	10,185	14,466
Windfall profit tax credit or refund	*2	—	—	—	*441	—	*441	—	—	*966	—	*966	—	—
Business deductions, total	2,685,983	4,257,088	8,940,500	*24,260	11,656,488	2,034,872	1,868,605	1,587,775	6,265,235	18,985,846	592,055	14,046,384	2,699,853	1,647,557
Cost of sales and operations, total	1,203,570	2,285,579	4,221,175	*3,496	6,189,548	655,938	873,457	1,104,956	3,555,198	3,986,162	*13,337	2,161,506	1,373,349	437,970
Cost of labor	205,879	545,795	964,854	*1,667	966,796	65,215	189,034	82,343	630,205	415,747	—	266,477	*81,580	*67,691
Bad debts from sales or services	*358	*81	*6,068	*4	5,429	*2	*1,973	*1,878	1,576	3,066	*135	*2,486	*447	—
Car and truck expenses	177,406	445,269	544,097	*2,365	329,432	148,396	46,745	23,356	110,935	2,616,597	80,500	2,254,842	127,912	123,344
Depletion	*23	—	*210	*7	*84	—	*(1)	—	*83	*391	—	*388	*(1)	*2
Depreciation	114,643	240,345	492,981	*1,102	550,458	130,222	115,885	84,777	219,574	1,655,966	66,898	1,362,626	83,824	142,620
Dues and publications	1,652	9,309	6,886	*276	40,579	191	4,715	1,015	34,658	38,472	16,647	13,511	3,166	5,126
Interest on business indebtedness	32,026	57,455	158,831	*2,853	159,466	39,557	36,458	36,269	47,182	500,440	31,379	413,076	15,978	40,007
Office expenses	10,676	18,496	38,324	*73	67,106	18,230	25,357	4,519	19,000	70,286	*926	40,094	17,690	11,579
Pension and profit-sharing plans	*15	*69	*17,852	—	862	*46	*122	*80	614	*815	—	*39	*144	*633
Rent on business property	74,195	73,304	154,952	*4,816	508,759	90,174	44,256	43,128	331,200	466,177	68,162	299,993	42,405	55,618
Net salaries and wages	621,887	181,927	1,076,252	*594	1,454,949	185,394	241,133	206,684	819,738	1,366,597	*17,996	1,024,668	115,854	212,059
Gross salaries and wages	621,887	184,462	1,076,252	*594	1,540,486	269,779	241,167	209,613	819,927	1,377,079	*17,996	1,033,170	113,854	212,059
Less: Jobs credit	—	*2,535	—	—	85,538	*84,386	*34	*929	*188	*8,482	—	*8,482	—	—
Windfall profit tax withheld	*1	*1	*(1)	*9	*30	—	*(1)	—	*30	*377	—	*377	*(1)	*(1)
Other business deductions	449,529	945,263	2,222,992	*6,663	2,349,786	766,723	278,502	179,116	1,125,446	8,278,494	296,076	6,442,758	921,062	618,599
Net income	717,165	2,116,119	1,757,866	*40,775	2,162,847	446,990	392,906	119,432	1,203,519	4,142,116	308,573	2,940,410	434,095	459,040

Footnote(s) at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Wholesale and retail trade													
	Total	Wholesale trade								Retail trade				
		Total	Motor vehicles and automotive equipment	Lumber and construction materials	Farm machinery and equipment	Other machinery, equipment and supplies	Groceries and related products	Farm-products raw materials	Other wholesale trade	Total	Building materials, paint, hardware, garden supply, and mobile home dealers			
											Total	Lumber and other building materials dealers	Paint, glass, and wallpaper stores	Hardware stores
	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)
Businesses with and without net income														
Number of returns	**2,380,838**	**224,603**	**9,793**	**10,933**	**2,615**	**32,910**	**28,711**	**9,819**	**129,822**	**2,012,478**	**75,006**	**16,183**	**9,448**	**19,974**
Business receipts, total	**196,981,164**	**29,760,885**	**1,599,554**	**1,164,618**	**274,210**	**2,981,299**	**6,697,538**	**5,345,408**	**11,698,081**	**160,617,052**	**6,968,523**	**2,100,442**	**968,692**	**1,789,292**
Income from sales and operations	194,126,676	29,391,747	1,463,623	1,158,822	260,498	2,954,411	6,691,955	5,295,367	11,567,101	159,268,790	6,804,307	2,093,956	932,081	1,782,423
Other business income	1,633,060	368,530	135,931	*5,795	13,742	26,829	5,583	50,041	130,609	1,347,261	194,216	6,486	*34,611	*6,869
Windfall profit tax credit or refund	1,408	*408	—	—	—	*58	—	—	*350	981	—	—	—	—
Business deductions, total	**188,252,816**	**26,127,670**	**1,515,447**	**1,064,842**	**307,503**	**2,645,821**	**6,584,031**	**5,248,962**	**10,761,165**	**155,194,563**	**6,570,079**	**2,004,021**	**904,221**	**1,641,326**
Cost of sales and operations, total	138,783,716	22,341,804	1,024,421	941,978	223,952	1,827,410	5,537,389	4,763,032	8,217,621	113,460,394	4,407,778	1,451,091	*597,376	1,227,593
Cost of labor	2,378,825	513,461	*3,517	*5,068	*950	*323,364	*68,667	17,524	94,152	1,828,669	100,585	*43,692	*2,938	*28,919
Bad debts from sales or services	189,413	39,690	*2,113	*159	*896	5,079	*852	2,339	28,253	141,313	10,365	1,911	*2,575	5,573
Car and truck expenses	3,154,102	610,197	37,366	16,965	7,125	65,902	140,062	48,781	273,976	2,286,517	108,250	26,531	12,778	22,559
Depletion	21,857	6,620	—	*192	*1	*5,498	*1	*27	901	15,055	*14	*10	—	—
Depreciation	4,435,818	555,176	23,240	12,833	20,733	95,002	158,257	50,320	194,793	3,685,588	198,025	56,157	*7,215	43,534
Dues and publications	158,733	15,594	492	377	14	3,659	667	1,222	9,143	133,741	6,600	1,210	*1,455	1,500
Interest on business indebtedness	2,591,581	266,709	17,905	14,304	11,995	60,109	48,756	45,206	68,435	2,209,106	97,165	44,785	*14,019	13,242
Office expense	629,542	88,547	5,939	1,001	674	12,572	11,296	6,564	50,501	498,498	26,686	6,097	*6,020	5,675
Pension and profit-sharing plans	13,222	704	*18	*44	*6	*203	*35	*14	386	12,156	*309	*110	—	*198
Rent on business property	4,733,493	262,519	25,132	1,070	637	38,219	31,302	25,614	140,545	4,267,611	130,102	24,159	*59,885	22,617
Net salaries and wages	9,635,411	832,388	99,160	15,625	12,306	267,361	167,138	90,077	180,721	8,594,566	507,495	182,628	*54,995	105,513
Gross salaries and wages	9,763,257	839,759	99,160	15,625	12,306	267,361	167,138	90,077	188,092	8,715,041	507,502	182,628	*54,995	105,519
Less: Jobs credit	127,846	*7,371	—	—	—	—	—	—	*7,371	120,475	*7	—	—	*6
Windfall profit tax withheld	10,571	706	—	—	*(1)	*46	*(1)	*9	*650	9,706	*5	*(1)	—	*4
Other business deductions	23,895,356	3,067,016	279,642	54,292	29,166	444,760	488,258	215,656	1,575,243	19,880,329	1,077,252	209,330	148,004	193,320
Net income less deficit	**7,708,348**	**1,633,015**	**84,107**	**99,776**	**-33,293**	**335,478**	**113,506**	**96,546**	**936,896**	**5,422,469**	**428,444**	**96,421**	**62,371**	**147,966**
Net income	12,880,376	2,099,636	105,036	104,327	*7,752	400,775	225,412	122,184	1,134,151	9,895,301	665,447	159,736	*111,241	190,552
Deficit	5,172,028	466,621	20,929	4,551	41,044	65,298	111,905	25,638	197,256	4,472,832	237,002	63,317	*48,871	42,585
Businesses with net income														
Number of returns	**1,369,065**	**158,503**	**7,655**	**6,993**	**1,149**	**24,600**	**15,225**	**7,179**	**95,702**	**1,113,875**	**48,973**	**10,607**	**6,133**	**12,123**
Business receipts, total	**154,647,747**	**24,367,424**	**1,541,078**	**1,116,391**	**133,081**	**2,504,503**	**5,112,178**	**4,039,110**	**10,021,083**	**125,383,967**	**5,888,881**	**1,771,532**	**896,490**	**1,563,310**
Income from sales and operations	153,276,716	24,038,500	1,405,444	1,110,626	*31,667	2,478,089	5,107,756	3,997,364	9,907,552	124,449,942	5,533,739	1,765,733	*596,460	1,558,449
Other business income	1,370,088	328,867	*135,634	*5,766	*1,413	26,356	4,422	41,746	113,529	943,158	155,143	5,799	—	*6,861
Windfall profit tax credit or refund	*943	*58	—	—	—	*58	—	—	*2	*866	—	—	—	—
Business deductions, total	**141,767,371**	**22,267,788**	**1,436,042**	**1,012,065**	**125,329**	**2,103,729**	**4,886,766**	**3,916,920**	**8,886,932**	**115,498,666**	**5,023,435**	**1,611,793**	**487,210**	**1,372,758**
Cost of sales and operations, total	107,980,416	17,880,829	966,944	923,893	*21,753	1,235,596	4,260,061	3,629,206	6,823,376	87,452,729	3,373,011	1,193,522	*323,737	1,032,489
Cost of labor	2,008,142	419,546	*1,266	*1,532	*155	*317,793	*16,859	*16,176	65,764	1,558,069	84,039	*31,977	*457	*27,574
Bad debts from sales or services	139,954	26,226	*1,722	*159	*5	*76	*514	1,699	22,051	105,513	10,014	*1,870	*2,575	*5,565
Car and truck expenses	2,196,969	487,169	36,664	11,449	*1,169	67,593	103,909	36,882	229,483	1,513,832	78,042	18,373	*6,006	13,408
Depletion	19,502	*5,801	—	*2	—	*5,490	—	*16	*291	13,522	—	—	—	—
Depreciation	2,658,578	332,390	21,117	7,857	*301	70,527	59,897	41,016	131,676	2,213,470	128,006	37,331	*4,105	23,846
Dues and publications	112,258	13,071	489	*308	*2	3,460	595	842	7,355	93,583	5,023	607	*746	1,494
Interest on business indebtedness	1,463,234	170,961	*14,245	10,751	*539	51,625	5,832	33,772	54,197	1,239,691	55,116	29,246	*11,722	*7,433
Office expenses	418,060	65,334	5,870	983	*25	11,376	5,867	3,651	37,560	328,000	21,256	4,816	*3,668	5,040
Pension and profit-sharing plans	11,729	646	*18	*44	*6	*203	*35	*14	327	10,721	*266	*70	—	*198
Rent on business property	3,102,771	179,150	24,980	*1,061	*6	12,946	17,895	11,267	111,004	2,755,327	61,174	11,094	*11,492	*19,117
Net salaries and wages	7,317,319	695,668	98,059	*15,172	*330	261,669	113,357	39,851	167,230	6,445,598	404,794	162,003	*11,201	104,844
Gross salaries and wages	7,440,859	703,036	98,059	*15,172	*330	261,669	113,357	39,851	174,600	6,561,768	404,794	162,003	*11,201	104,844
Less: Jobs credit	123,540	*7,370	—	—	—	—	—	—	*7,370	116,170	—	—	—	—
Windfall profit tax withheld	3,709	*609	—	—	—	*38	—	*7	*565	2,997	—	—	—	—
Other business deductions	16,342,851	2,409,933	265,935	40,396	*1,172	383,108	288,806	118,699	1,301,817	13,323,661	866,729	162,857	*111,965	159,325
Net income	**12,880,376**	**2,099,636**	**105,036**	**104,327**	**7,752**	**400,775**	**225,412**	**122,184**	**1,134,151**	**9,895,301**	**665,447**	**159,736**	**111,241**	**190,552**

Footnote(s) at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Wholesale and retail trade—Continued												
	Retail trade—Continued												
	Building materials, paint, etc.—Continued		Food stores			Automotive dealers and service stations				Apparel and accessory stores	Furniture and home furnishing stores	Eating places	Drinking places
	Retail nurseries, garden supply stores, and mobile home dealers	General merchandise stores	Total	Grocery stores	Other food stores	Total	Motor vehicle dealers-new car dealers (franchised)	Used car dealers	Gasoline service stations	Other automotive dealers				
	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)
Businesses with and without net income														
Number of returns	27,401	35,648	181,496	94,782	86,714	159,846	8,034	48,881	61,859	41,082	61,338	90,361	179,418	58,949
Business receipts, total	2,142,087	3,364,148	31,515,783	23,056,063	8,459,720	50,182,898	3,904,993	8,696,061	31,152,214	6,429,750	6,508,856	6,958,804	16,529,777	5,223,506
Income from sales and operations	1,995,847	3,331,199	31,358,899	22,936,422	8,422,477	49,977,484	3,892,795	8,652,284	31,091,257	6,341,206	6,488,513	6,935,001	16,439,497	5,192,973
Other business income	146,250	32,947	155,981	118,736	37,243	206,361	12,135	43,777	60,957	88,482	20,346	21,802	90,279	30,526
Windfall profit tax credit or refund	—	—	*904	*904	—	*23	*23	—	—	—	*(1)	—	—	—
Business deductions, total	2,020,411	3,342,851	30,697,306	22,610,102	8,087,204	49,140,953	3,825,838	8,483,604	30,611,407	6,240,117	5,987,794	6,528,877	16,224,046	5,247,847
Cost of sales and operations, total	1,131,718	2,491,586	24,712,840	18,722,266	5,990,574	41,793,034	3,405,038	7,254,639	26,400,577	4,732,780	4,010,316	4,102,493	8,204,410	2,843,744
Cost of labor	24,636	*9,507	501,174	400,394	100,780	340,443	*6,666	51,079	69,429	211,248	*37,708	157,390	238,330	*103,992
Bad debts from sales or services	*326	*7,493	8,873	8,194	679	56,639	1,934	23,155	22,452	9,098	5,254	10,826	2,621	*3,855
Car and truck expenses	46,381	32,712	226,470	96,349	130,120	298,905	5,736	79,578	136,025	78,565	67,317	158,025	226,995	36,652
Depletion	*4	—	*941	*791	*150	439	*119	*37	*158	*125	*143	*5	*677	—
Depreciation	91,119	102,581	618,149	359,102	259,047	529,381	22,122	90,675	325,002	131,582	107,355	171,565	714,943	219,981
Dues and publications	2,436	4,430	8,209	4,227	3,983	15,081	1,276	3,130	4,271	6,403	12,040	8,881	13,416	2,301
Interest on business indebtedness	25,119	67,820	327,761	237,442	90,319	468,963	21,099	136,531	183,015	126,318	107,114	142,432	306,876	149,209
Office expense	8,906	10,101	45,703	25,765	19,937	68,603	4,445	12,417	26,304	23,436	36,802	49,963	30,461	13,037
Pension and profit-sharing plans	*2	—	*4,067	*1,198	*2,869	1,537	*945	*144	*7	*440	*140	*1,169	3,960	—
Rent on business property	23,442	75,683	589,551	298,819	290,732	861,763	16,091	66,303	475,816	101,554	233,979	298,944	999,194	221,738
Net salaries and wages	164,360	200,090	1,205,897	859,891	346,006	1,700,358	116,266	95,808	1,250,484	297,800	471,490	383,087	2,091,020	428,729
Gross salaries and wages	164,361	200,150	1,258,834	902,762	356,073	1,808,516	129,058	95,808	1,250,765	330,886	471,935	385,906	2,106,177	428,729
Less: Jobs credit	*1	*61	*52,938	*42,871	*10,067	46,158	*12,792	—	*280	*33,086	*445	*2,839	15,157	—
Windfall profit tax withheld	*1	—	*245	*97	*148	*2,591	*16	*2,563	*10	*(1)	—	*6,610	*107	—
Other business deductions	526,599	350,156	2,948,599	1,995,980	952,639	3,486,659	230,737	736,623	1,788,283	730,016	913,843	1,194,874	3,629,398	1,326,602
Net income less deficit	121,676	21,495	818,477	445,961	372,516	1,041,916	79,055	232,457	540,807	189,583	521,065	427,927	305,731	-24,347
Net income	203,915	148,761	1,294,250	731,649	562,602	1,546,454	97,757	382,457	757,154	309,086	657,709	651,866	1,088,194	241,821
Deficit	82,230	127,266	475,773	285,688	190,085	504,538	18,690	149,999	216,347	119,502	136,644	223,939	782,463	266,168
Businesses with net income														
Number of returns	19,910	16,429	119,466	64,851	54,615	102,796	5,011	31,906	43,297	22,583	44,146	58,869	96,531	24,593
Business receipts, total	1,755,560	1,850,207	26,265,321	19,349,136	6,936,186	41,260,406	3,769,194	6,305,543	25,969,246	5,216,423	5,774,437	4,941,945	10,997,776	2,621,041
Income from sales and operations	1,613,097	1,820,840	26,159,671	19,247,234	6,912,437	41,121,268	3,761,240	6,262,802	25,933,249	5,163,976	5,765,244	4,928,446	10,978,469	2,601,557
Other business income	142,463	29,359	124,829	101,060	23,749	139,138	7,954	42,742	35,997	52,445	9,193	12,599	19,306	19,484
Windfall profit tax credit or refund	—	—	*822	*822	—	—	—	—	—	—	*(1)	—	—	—
Business deductions, total	1,551,665	1,701,447	24,991,071	18,617,487	6,373,584	39,713,952	3,671,436	5,923,087	26,212,092	4,907,336	5,116,727	4,269,179	9,909,582	2,379,221
Cost of sales and operations, total	833,264	1,272,126	20,406,412	15,518,976	4,887,436	34,081,842	3,273,245	5,146,378	21,861,661	3,800,558	3,535,036	2,816,094	4,849,296	1,537,661
Cost of labor	*24,031	*64	403,340	370,671	*32,668	305,339	*6,305	38,505	66,104	196,425	*37,405	155,265	170,726	*97,114
Bad debts from sales or services	*6	*2,309	6,334	6,208	*126	48,336	1,903	*22,665	17,946	5,822	2,384	3,584	1,563	*3,857
Car and truck expenses	40,256	19,950	177,021	79,025	97,996	229,864	5,384	49,506	110,488	64,484	73,927	110,026	161,118	9,864
Depletion	—	—	*941	*791	*150	*251	—	*27	*100	*125	—	*2	*825	—
Depreciation	62,724	69,639	410,511	238,273	172,238	384,990	19,482	28,097	249,049	88,362	79,690	98,078	387,150	82,449
Dues and publications	*2,175	2,701	6,494	3,235	3,259	12,860	1,238	2,286	3,627	5,710	9,183	5,231	11,913	1,730
Interest on business indebtedness	6,716	20,683	212,969	153,398	59,571	320,357	17,740	63,130	148,966	90,521	69,483	55,468	148,559	24,498
Office expenses	7,730	4,524	33,934	16,753	17,181	43,721	4,410	7,376	16,759	15,176	35,133	28,453	17,517	3,296
Pension and profit-sharing plans	—	—	*4,066	*1,197	*2,869	*1,533	*942	*144	*7	*440	*139	*1,161	2,815	—
Rent on business property	19,471	53,902	414,573	242,391	172,183	519,309	14,361	58,919	378,941	66,088	178,560	181,720	643,085	76,620
Net salaries and wages	126,746	82,026	1,016,574	716,977	301,597	1,422,636	115,331	78,760	984,465	244,082	410,536	283,667	1,456,734	146,329
Gross salaries and wages	126,746	82,026	1,071,460	759,847	311,613	1,466,411	128,123	78,760	984,746	274,782	410,537	286,446	1,470,592	146,329
Less: Jobs credit	—	—	*52,886	*42,871	*10,016	*43,773	*12,792	—	*280	*30,700	*(1)	*2,781	13,858	—
Windfall profit tax withheld	—	—	*194	*97	*97	*2,563	—	*2,563	*(1)	—	—	*26	*97	—
Other business deductions	452,579	173,586	2,299,046	1,640,167	658,881	2,645,686	217,401	462,233	1,440,082	525,970	722,686	707,669	2,229,088	493,117
Net income	203,915	148,761	1,294,250	731,649	562,602	1,546,454	97,757	382,457	757,154	309,086	657,709	651,866	1,088,194	241,821

Footnote(s) at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Wholesale and retail trade—Continued								Finance, insurance, and real estate						
	Retail trade—Continued							Wholesale and retail trade not allocable	Total	Finance			Insurance agents, brokers, and service	Real estate	
	Drug stores and proprietary stores	Liquor stores	Used merchandise stores	Sporting goods and bicycle shops	Gift, novelty, and souvenir shops	Direct selling organizations	Other retail stores			Total	Security, commodity brokers, and services	Other finance		Total	Operators and lessors of buildings
	(58)	(59)	(60)	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)
Businesses with and without net income															
Number of returns	14,128	21,120	103,961	26,731	40,882	641,777	322,008	143,767	984,029	90,509	59,484	31,025	269,175	604,345	16,638
Business receipts, total	4,061,323	5,226,631	2,982,421	1,328,973	1,834,846	6,267,303	12,565,498	5,583,426	29,977,130	3,528,812	2,276,568	1,252,244	10,544,250	15,904,388	712,572
Income from sales and operations	4,046,244	5,212,661	2,025,595	1,201,218	1,820,736	6,016,670	12,447,793	5,466,139	28,478,963	3,359,845	2,190,577	1,169,268	10,156,378	14,962,638	669,610
Other business income	5,079	13,970	36,767	127,754	13,911	250,633	*17,689	117,266	1,495,446	168,962	85,989	82,973	386,491	939,993	42,962
Windfall profit tax credit or refund	—	—	*38	—	—	—	*15	*19	3,021	*5	*1	*3	*1,380	1,636	*(1)
Business deductions, total	3,679,417	5,120,461	2,167,065	1,130,154	1,745,345	5,678,823	11,933,767	4,930,563	20,512,970	2,633,943	1,736,034	897,909	7,091,933	10,787,094	793,240
Cost of sales and operations, total	2,784,508	4,125,573	1,406,868	775,593	1,012,174	3,267,719	7,521,739	2,981,519	3,746,582	888,006	336,381	251,624	581,174	2,277,403	26,533
Cost of labor	*41,810	*856	23,200	*39	*207,627	10,153	55,867	*36,695	143,692	10,136	8,891	*1,245	*5,703	127,853	*375
Bad debts from sales or services	7,026	1,763	*895	*416	*500	14,646	10,121	8,409	74,383	14,047	8,138	5,909	34,916	25,420	2,662
Car and truck expenses	22,654	48,171	102,623	27,314	22,008	543,637	344,786	257,389	1,729,485	117,007	76,642	40,365	618,903	993,875	20,331
Depletion	—	*8,641	*195	—	*123	*4	3,871	*192	8,079	1,809	1,047	762	863	5,408	445
Depreciation	83,589	92,308	51,696	41,084	90,978	247,494	416,257	196,052	1,691,844	156,986	77,423	79,563	435,073	1,098,784	147,795
Dues and publications	4,239	2,469	6,241	1,731	1,948	14,851	31,302	9,396	296,286	35,196	19,824	15,372	46,973	214,116	3,821
Interest on business indebtedness	73,666	76,702	40,903	26,730	65,405	82,564	175,796	95,765	1,327,254	222,726	178,046	44,675	196,814	907,714	133,426
Office expense	16,616	5,025	9,658	4,091	11,111	75,966	94,643	42,497	444,626	58,469	19,447	39,042	185,569	200,467	5,283
Pension and profit-sharing plans	*13	*5	*135	—	—	*620	*204	*363	10,357	2,736	2,109	627	4,295	3,326	*226
Rent on business property	78,609	92,872	114,479	37,570	185,936	100,403	446,589	203,363	743,155	80,090	50,611	29,479	351,683	301,383	40,771
Net salaries and wages	264,517	172,816	31,440	44,692	74,327	57,016	901,612	208,457	1,154,242	99,949	53,933	46,017	641,511	412,781	50,289
Gross salaries and wages	264,536	172,816	33,776	44,692	74,622	57,016	901,633	208,457	1,161,670	99,994	53,933	46,061	643,207	418,470	51,209
Less: Jobs credit	*19	—	*2,336	—	*495	—	*21	—	7,428	*44	—	*44	*1,696	5,688	*925
Windfall profit tax withheld	—	*2	*52	—	*2	*11	80	*160	990	426	295	131	232	332	34
Other business deductions	343,760	494,114	401,656	170,933	280,833	1,273,892	1,966,766	928,011	9,283,690	946,477	512,136	434,340	3,991,129	4,346,083	361,349
Net income less deficit	371,906	106,170	-104,644	198,819	89,300	588,481	631,731	652,863	9,464,360	894,868	540,533	354,335	3,452,318	5,117,173	-80,668
Net income	375,147	156,735	181,947	222,017	189,506	1,154,253	1,321,196	885,439	11,522,386	1,299,777	901,269	398,508	3,734,149	6,488,460	80,367
Deficit	*3,241	50,565	286,591	23,199	100,206	565,772	689,465	232,576	2,058,026	404,909	260,736	144,172	281,831	1,371,286	161,035
Businesses with net income															
Number of returns	12,849	13,560	41,610	18,656	22,336	321,186	171,876	96,717	720,882	64,903	43,503	21,400	225,972	429,807	10,343
Business receipts, total	4,049,471	3,436,545	1,150,626	1,235,537	1,257,163	4,914,375	9,931,137	4,886,357	25,492,388	2,656,622	1,751,287	905,336	9,705,211	13,130,555	295,768
Income from sales and operations	4,044,528	3,432,587	1,116,678	1,109,444	1,245,194	4,752,603	9,839,665	4,786,274	24,261,930	2,539,539	1,697,374	842,165	9,380,090	12,342,301	275,075
Other business income	4,943	3,958	33,910	126,092	11,968	161,772	91,465	98,083	1,227,627	117,078	53,912	63,167	323,741	786,808	10,693
Windfall profit tax credit or refund	—	—	*38	—	—	—	*6	*19	2,831	*5	*1	*3	*1,380	1,446	—
Business deductions, total	3,674,324	3,279,809	968,679	1,013,519	1,067,857	3,760,122	8,609,940	4,000,918	13,970,002	1,356,844	850,018	506,827	5,971,063	6,842,095	205,401
Cost of sales and operations, total	2,784,160	2,757,732	644,355	698,036	701,606	2,327,988	5,667,373	2,646,857	2,018,848	391,734	326,574	65,160	251,120	1,375,994	2,737
Cost of labor	*41,810	*856	*10,745	—	*207,549	*3,389	40,429	*30,525	20,983	*5,692	*4,466	*1,225	*5,696	9,594	*225
Bad debts from sales or services	7,026	*1,535	*10	*416	*365	9,395	8,566	8,215	23,736	1,279	*958	*321	18,977	3,480	*2,281
Car and truck expenses	22,158	16,259	51,286	21,788	11,448	297,958	233,142	195,983	1,385,051	74,177	49,966	24,183	527,760	783,113	6,811
Depletion	—	*8,639	*112	—	*99	*4	2,849	*178	6,223	1,503	814	*689	833	3,886	*75
Depreciation	81,407	44,219	10,716	35,369	56,799	127,458	217,019	112,718	1,060,461	102,657	51,050	51,607	343,691	814,113	42,571
Dues and publications	3,699	1,582	1,774	1,621	1,666	8,773	19,232	5,605	224,053	21,986	13,686	8,280	39,295	162,792	179
Interest on business indebtedness	73,410	35,649	27,834	25,992	34,880	42,955	91,836	52,582	498,690	52,045	33,952	18,093	146,253	300,393	28,210
Office expenses	16,615	2,400	3,838	3,612	6,530	49,828	59,344	24,745	342,302	27,222	12,923	14,308	166,323	148,747	928
Pension and profit-sharing plans	*13	*5	—	—	—	*573	*149	*363	7,606	1,066	678	206	4,111	2,408	*226
Rent on business property	78,606	53,363	26,751	33,444	80,347	53,287	300,385	168,294	556,233	52,386	24,854	27,532	315,715	188,132	14,696
Net salaries and wages	264,108	64,210	21,234	*41,602	29,915	43,386	755,846	176,053	897,750	74,579	39,204	35,375	591,116	232,055	12,823
Gross salaries and wages	264,127	64,210	23,570	*41,602	30,410	43,386	755,867	176,053	903,709	74,614	39,204	35,411	592,812	236,283	12,823
Less: Jobs credit	*19	—	*2,336	—	*495	—	*21	—	5,960	*35	—	*35	*1,696	*4,229	—
Windfall profit tax withheld	—	—	*37	—	*1	—	*78	*103	586	377	257	*121	108	100	*2
Other business deductions	342,921	294,118	180,732	151,659	144,000	796,517	1,254,123	609,237	6,948,464	555,823	294,880	260,944	3,565,760	2,826,881	93,582
Net income	375,147	156,735	181,947	222,017	189,506	1,154,253	1,321,196	885,439	11,522,386	1,299,777	901,269	398,508	3,734,149	6,488,460	80,367

Footnote(s) at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Finance, insurance, and real estate—Continued				Services										
	Real estate—Continued				Total	Hotels and other lodging places			Personal services						
	Lessors, other than buildings	Real estate agents, brokers, and managers	Subdividers and developers, except cemeteries	Other real estate		Total	Motels, motor hotels, and tourist courts	Other lodging places	Total	Coin-operated laundries and dry cleaning	Other laundry, cleaning, and garment services	Photographic portrait studios	Beauty shops	Barber shops	Other personal services
	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	(81)	(82)	(83)	(84)	(85)	(86)	(87)
Businesses with and without net income															
Number of returns	**4,996**	**572,759**	**1,870**	**8,082**	**4,969,999**	**42,181**	**23,728**	**18,453**	**925,751**	**24,198**	**37,936**	**83,277**	**245,467**	**73,957**	**460,918**
Business receipts, total	**112,246**	**14,546,538**	**340,362**	**192,549**	**147,438,458**	**3,490,165**	**2,504,982**	**985,183**	**15,006,471**	**1,263,396**	**1,895,724**	**1,578,173**	**5,188,875**	**1,134,494**	**3,974,808**
Income from sales and operations	110,908	13,720,436	299,548	162,136	143,763,784	3,448,001	2,476,037	971,965	14,848,657	1,254,846	1,885,140	1,568,455	5,131,008	1,130,072	3,879,336
Other business income	830	824,974	40,814	30,414	3,645,881	42,163	28,945	13,218	157,814	*6,750	*10,584	9,718	28,867	*4,422	96,472
Windfall profit tax credit or refund	*508	1,128	—	—	28,794	*(*)	—	*(*)	—	—	—	—	—	—	—
Business deductions, total	**105,986**	**9,395,623**	**356,841**	**135,394**	**110,613,220**	**3,679,360**	**2,511,517**	**1,167,843**	**12,173,686**	**1,193,178**	**1,712,214**	**1,504,848**	**4,036,794**	**633,798**	**3,099,853**
Cost of sales and operations, total	*2,904	2,052,668	170,152	24,825	31,507,332	649,151	476,363	172,788	2,548,501	227,921	542,530	339,289	886,036	32,445	520,279
Cost of labor	*317	115,890	11,271	—	3,122,626	41,552	29,113	12,439	575,901	*84,113	*74,946	*32,504	304,393	*3,142	76,802
Bad debts from sales or services	—	21,449	1,307	*1	144,153	3,830	550	3,279	3,252	*139	*426	—	*1,613	*390	*695
Car and truck expenses	5,587	949,865	2,655	15,438	5,021,336	50,646	35,656	14,990	355,886	37,305	43,021	52,716	53,364	13,820	155,658
Depletion	*168	4,619	*144	*32	42,918	372	*100	263	*190	*5	*(*)	*34	*107	—	*44
Depreciation	28,542	899,632	15,107	7,708	9,454,843	604,233	413,823	190,410	1,009,819	171,727	117,277	143,577	262,406	26,828	288,004
Dues and publications	522	207,078	545	2,150	887,225	8,523	6,522	2,001	49,083	*317	1,694	9,096	15,886	7,772	14,316
Interest on business indebtedness	14,351	661,375	77,261	21,301	3,691,420	529,684	358,818	170,866	335,946	59,022	34,125	19,241	76,985	*4,750	141,821
Office expense	562	190,726	1,336	2,561	1,847,441	15,885	11,893	3,992	101,070	4,052	10,196	21,178	17,166	3,023	45,452
Pension and profit-sharing plans	—	2,542	*548	*10	179,424	*260	*2	*258	*436	*12	*19	*32	—	—	*375
Rent on business property	182	248,985	4,984	6,462	6,383,720	55,908	32,542	23,366	1,247,066	105,529	126,204	98,140	481,103	122,901	325,189
Net salaries and wages	1,177	344,536	11,629	5,156	13,353,917	349,043	251,469	97,575	1,793,448	80,667	274,101	60,437	1,023,587	*122,301	232,355
Gross salaries and wages	1,177	349,262	11,629	5,194	13,396,531	351,263	251,521	99,742	1,793,448	80,667	274,101	60,437	1,023,587	*122,301	232,355
Less: Jobs credit	—	4,725	—	*38	42,614	*2,220	*52	*2,168	—	—	—	—	—	—	—
Windfall profit tax withheld	*2	236	*60	*1	20,030	115	*82	*34	*1,745	*1,721	—	*6	*18	—	—
Other business deductions	52,000	3,811,892	71,113	49,730	38,099,460	1,411,708	923,689	488,019	4,727,242	504,762	562,616	773,098	1,221,520	299,579	1,365,665
Net income less deficit	**6,260**	**5,150,915**	**– 16,479**	**57,155**	**36,825,238**	**– 189,195**	**– 6,535**	**– 182,660**	**2,832,784**	**70,218**	**183,510**	**73,325**	**1,120,081**	**500,695**	**884,955**
Net income	46,875	6,204,911	71,607	84,700	43,240,345	264,657	190,773	73,884	3,481,771	149,049	238,535	188,769	1,230,877	508,065	1,166,475
Deficit	40,624	1,053,997	88,086	27,545	6,415,107	453,852	197,308	256,544	648,986	78,831	55,025	115,444	110,795	*7,370	281,520
Businesses with net income															
Number of returns	**1,274**	**411,608**	**900**	**5,682**	**3,734,292**	**14,739**	**10,479**	**4,260**	**741,475**	**13,250**	**27,134**	**30,000**	**212,847**	**72,348**	**377,796**
Business receipts, total	**85,555**	**12,433,939**	**195,304**	**129,988**	**125,923,503**	**2,031,572**	**1,626,895**	**410,677**	**11,904,919**	**826,158**	**1,383,262**	**1,077,623**	**4,403,160**	**1,044,708**	**3,167,988**
Income from sales and operations	85,076	11,708,820	161,208	112,119	122,820,428	2,002,404	1,601,373	401,031	11,754,476	819,417	1,372,911	1,069,103	4,374,306	1,040,390	3,078,348
Other business income	*152	723,997	34,096	*17,870	3,074,695	29,166	19,522	9,646	150,444	*6,742	*10,371	*8,520	28,854	*4,318	89,640
Windfall profit tax credit or refund	*325	*1,121	—	—	28,180	—	—	—	—	—	—	—	—	—	—
Business deductions, total	**38,680**	**6,229,027**	**123,697**	**45,269**	**82,683,159**	**1,766,915**	**1,430,122**	**336,792**	**8,423,149**	**679,110**	**1,144,747**	**868,854**	**3,172,283**	**536,642**	**2,001,513**
Cost of sales and operations, total	*1,029	1,298,983	68,341	*4,904	24,072,831	483,597	420,633	62,963	1,895,406	*157,270	309,820	268,804	754,805	32,445	372,262
Cost of labor	*52	2,776	*6,541	—	2,653,837	*18,232	*12,399	*5,833	556,229	*79,335	*72,409	*32,184	299,726	*3,142	71,432
Bad debts from sales or services	—	1,193	*25	*1	77,781	231	175	*56	3,014	*126	*322	—	*1,611	*377	*579
Car and truck expenses	*5,260	760,844	1,406	8,792	3,958,050	16,700	14,852	1,848	263,641	29,444	22,930	34,915	45,775	13,567	117,010
Depletion	*148	3,627	*6	*32	23,451	*172	*25	*147	*111	—	—	*34	*33	—	*44
Depreciation	1,799	562,019	3,830	3,594	6,013,164	223,816	198,068	25,731	603,745	60,266	82,279	83,476	85,211	17,456	155,052
Dues and publications	*9	160,337	266	1,981	707,230	3,596	3,103	493	39,430	*269	1,327	5,165	13,500	7,721	11,447
Interest on business indebtedness	*485	250,160	20,900	636	2,149,372	176,230	156,596	19,633	202,514	*24,543	29,166	13,795	64,666	*4,680	65,665
Office expense	34	146,344	394	1,047	1,535,707	7,552	5,654	1,696	74,771	2,920	7,634	18,448	14,860	2,804	28,025
Pension and profit-sharing plans	—	2,032	*141	*10	177,550	*255	—	*255	*374	*12	*19	*32	—	—	*311
Rent on business property	*26	167,463	1,173	4,775	4,963,455	40,995	24,413	16,581	922,901	49,248	86,696	66,894	306,673	122,880	201,511
Net salaries and wages	*535	212,711	4,666	*1,319	10,776,490	212,839	152,735	60,104	1,185,786	*42,137	201,090	*35,432	717,784	*70,060	119,283
Gross salaries and wages	*535	216,902	4,666	*1,357	10,816,595	212,847	152,743	60,104	1,185,786	*42,137	201,090	*35,432	717,784	*70,060	119,283
Less: Jobs credit	—	*4,191	—	*38	40,105	*8	*8	—	—	—	—	—	—	—	—
Windfall profit tax withheld	*(*)	96	*1	*1	15,740	*84	*74	*10	*24	—	—	*6	*18	—	—
Other business deductions	29,357	2,663,220	22,527	18,195	28,212,338	600,846	453,573	147,273	3,231,431	292,873	403,463	361,854	978,327	264,591	930,323
Net income	**46,875**	**6,204,911**	**71,607**	**84,700**	**43,240,345**	**264,657**	**190,773**	**73,884**	**3,481,771**	**149,049**	**238,535**	**188,769**	**1,230,877**	**508,065**	**1,166,475**

Footnote(s) at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Services—Continued												
	Business services					Automobile repair and services					Miscellaneous repair services	Amusement and recreation services, including motion pictures	
							Automobile repair shops						
	Total	Advertising	Services to buildings	Management and public relations	Other business services	Total	Total	General automobile repair shops	Other automobile repair	Automobile parking and other services		Total	Producers, orchestras, and entertainers
	(88)	(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)	(97)	(98)	(99)	(100)
Businesses with and without net income													
Number of returns	1,456,137	65,457	197,856	486,896	704,128	281,363	223,429	154,320	69,109	57,934	290,489	373,583	171,165
Business receipts, total	35,179,326	2,278,051	2,719,538	10,998,842	19,182,895	16,084,694	12,818,844	9,978,871	2,839,973	3,265,851	9,947,406	6,749,871	2,345,640
Income from sales and operations	33,848,287	2,190,118	2,714,284	10,276,086	18,667,797	15,928,206	12,747,335	9,928,375	2,818,959	3,180,871	9,913,371	6,274,950	2,171,268
Other business income	1,303,377	87,933	5,253	722,359	487,831	156,316	71,509	50,495	*21,013	84,807	34,035	474,824	174,299
Windfall profit tax credit or refund	27,662	—	—	395	*27,267	*172	—	—	—	*172	—	*97	*53
Business deductions, total	26,688,862	1,713,150	1,992,265	6,376,075	16,607,373	14,656,911	11,565,368	9,135,551	2,429,817	3 091,543	8,487,400	6,538,846	1,928,712
Cost of sales and operations, total	9,771,263	777,132	497,819	709,959	7,786,353	7,693,811	6,596,440	5,323,184	1,267,257	1,097,371	4,594,260	1,197,852	96,347
Cost of labor	801,996	19,857	172,091	197,254	412,796	511,272	486,629	338,942	147,687	*24,643	313,423	44,352	14,369
Bad debts from sales or services	64,321	*9	*2,604	37,052	24,656	12,235	10,953	6,160	*4,794	1,282	9,935	3,470	491
Car and truck expenses	1,688,929	141,793	268,036	503,248	775,852	414,216	283,744	217,438	66,306	130,471	431,916	283,046	124,025
Depletion	28,281	*1	*2,937	22,826	2,517	*2,146	*18	*18	—	*2,128	*219	1,079	*299
Depreciation	2,489,625	106,375	115,363	657,234	1,610,653	831,643	483,896	365,459	118,436	347,747	560,936	774,282	196,043
Dues and publications	161,616	14,119	5,669	86,234	55,593	21,546	16,558	10,533	6,025	2,988	11,344	45,620	20,885
Interest on business indebtedness	894,627	30,219	23,543	343,118	497,748	399,263	294,561	265,940	28,621	104,703	172,669	203,412	35,067
Office expense	392,219	25,735	17,421	151,093	197,970	73,627	56,214	44,406	11,809	17,413	58,491	64,061	18,922
Pension and profit-sharing plans	31,369	*185	*108	26,807	4,269	*11	—	—	—	*11	*750	837	349
Rent on business property	805,141	41,384	35,850	310,363	417,544	655,429	520,486	376,567	143,919	134,943	239,686	260,490	59,943
Net salaries and wages	2,791,829	60,766	398,472	759,705	1,572,866	1,182,035	961,607	776,791	184,817	220,428	666,829	507,530	202,502
Gross salaries and wages	2,798,256	60,874	398,799	765,234	1,573,350	1,182,748	962,320	777,503	184,817	220,428	666,829	507,644	202,616
Less: Jobs credit	6,426	*107	*327	*5,529	*464	*713	*713	*713	—	—	*(*)	*113	*113
Windfall profit tax withheld	3,490	*123	*2	2,955	410	*656	—	—	—	*656	*37	1,161	*279
Other business deductions	7,566,151	515,329	624,440	2,765,481	3,660,901	3,370,293	2,338,890	1,743,056	595,835	1,031,402	1,738,306	3,186,004	1,173,559
Net income less deficit	8,490,464	564,901	727,273	4,622,767	2,575,522	1,427,783	1,253,476	843,320	410,156	174,308	1,460,006	221,025	416,928
Net income	10,497,833	641,848	804,758	5,237,748	3,813,478	1,811,874	1,505,609	1,050,589	455,020	306 265	1,665,533	1,421,010	696,089
Deficit	2,007,369	76,947	77,485	614.981	1,237,956	384,091	252,133	207,269	44,864	131,958	205,527	1,199,984	279,161
Businesses with net income													
Number of returns	1,075,995	50,642	170,774	372,114	482,465	206,861	163,712	114,145	49,567	43,149	211,373	190,826	94,542
Business receipts, total	28,876,522	2,091,263	2,393,634	9,718,674	14,672,932	12,399,933	9,746,305	7,175,149	2,571,156	2,653,628	8,102,554	4,993,779	1,810,845
Income from sales and operations	27,825,885	2,003,545	2,366,479	9,201,134	14,232,727	12,248,355	9,677,127	7,126,877	2,550,250	2,571,228	9,073,840	4,616,739	1,956,748
Other business income	1,023,322	87,736	*5,155	517,484	412,946	151,578	69,176	48,271	*20,907	82,400	28,714	377,033	154,097
Windfall profit tax credit or refund	27,316	—	—	56	*27,260	—	—	—	—	—	—	*7	—
Business deductions, total	18,378,689	1,449,435	1,588,875	4,480,925	10,859,454	10,588,059	8,240,696	6,124,559	2,116,137	2,347,363	7,437,021	3,572,766	1,114,758
Cost of sales and operations, total	6,585,329	717,163	436,882	526,364	4,904,920	5,916,060	4,848,709	3,738,955	1,109,754	1,067,371	4,060,476	866,011	59,533
Cost of labor	675,672	*10,064	153,951	176,919	334,739	276,083	251,469	123,726	*127,763	*24,593	293,960	31,356	*12,131
Bad debts from sales or services	23,990	*9	*1,579	9,010	13,392	8,114	7,056	3,587	*3,469	*1,058	8,186	2,405	*435
Car and truck expenses	1,291,369	122,030	213,690	342,186	613,463	351,735	238,879	181,385	57,513	112,856	372,258	142,509	65,846
Depletion	14,449	*1	*2,937	10,300	1,211	—	—	—	—	—	*219	898	*91
Depreciation	1,402,510	60,939	92,131	397,314	852,125	517,634	336,723	236,351	100,372	180,911	456,605	344,450	111,828
Dues and publications	114,884	12,241	3,341	63,345	35,958	8,445	7,316	4,876	2,442	1,126	9,261	18,376	9,868
Interest on business indebtedness	438,856	12,117	16,752	168,186	241,800	204,873	143,376	122,706	20,672	61,496	159,513	81,979	13,511
Office expenses	300,936	21,770	13,200	106,006	157,959	46,007	31,119	20,697	10,422	14,888	48,549	36,614	8,512
Pension and profit-sharing plans	30,559	*164	*108	26,005	4,283	*11	—	—	—	*11	*750	695	275
Rent on business property	523,546	34,652	27,932	194,319	266,644	407,626	298,063	177,108	120,957	109,583	204,933	148,012	41,890
Net salaries and wages	2,202,226	50,736	323,763	633,126	1,194,600	868,544	685,177	512,277	172,900	183,367	623,705	349,696	160,973
Gross salaries and wages	2,208,566	50,755	324,091	638,657	1,195,064	869,256	685,890	512,990	172,900	183,367	623,705	349,696	160,973
Less: Jobs credit	6,336	*18	*327	*5,529	*464	*713	*713	*713	—	—	*(*)	—	—
Windfall profit tax withheld	2,467	*(*)	—	2,366	99	—	—	—	—	—	*37	*906	*81
Other business deductions	5,447,567	417,614	456,562	2,000,391	2,573,000	2,256,999	1,644,274	1,126,638	517,635	814,716	1,472,529	1,582,714	619,293
Net income	10,497,833	641,848	804,758	5,237,748	3,813,478	1,811,874	1,505,609	1,050,589	455,020	306,265	1,665,533	1,421,010	696,089

Footnote(s) at end of table.

Table 2. — Nonfarm Sole Proprietorship Businesses: Income Statement for Selected Industries, 1984 — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Services—Continued													
	Amusement and recreation services, including motion pictures—Continued			Medical and health services				Legal services	Educational services	Engineering and architectural services	Accounting, auditing, and bookkeeping services			Other services	Nature of business not allocable
	Professional sports clubs and promoters	Racing, including track operation	Other amusement and recreation services	Total	Offices of physicians	Offices of dentists	Other medical and health services				Total	Certified public accountants	Other accounting, auditing, and bookkeeping services		
	(101)	(102)	(103)	(104)	(105)	(106)	(107)	(108)	(109)	(110)	(111)	(112)	(113)	(114)	(115)
Businesses with and without net income															
Number of returns	7,788	58,381	136,278	481,743	149,415	77,439	254,889	226,124	176,459	126,040	248,178	30,370	217,808	361,941	152,625
Business receipts, total	63,252	714,122	3,626,857	32,457,604	13,141,972	6,579,990	10,735,653	12,611,230	1,806,100	3,283,240	3,921,738	813,509	3,111,229	6,897,614	5,184,456
Income from sales and operations	63,011	632,577	3,408,074	31,368,113	12,799,481	6,354,979	10,213,653	12,486,572	1,781,897	3,259,382	3,826,007	807,466	3,020,541	6,778,336	5,123,956
Other business income	*241	81,501	218,783	1,088,871	342,104	225,000	521,767	124,646	24,203	23,825	96,730	6,042	90,688	119,077	70,103
Windfall profit tax credit or refund	—	*44	—	*620	*387	*(1)	*233	*11	—	*33	*(1)	*(1)	—	*197	*497
Business deductions, total	52,392	1,133,338	3,414,406	19,493,652	6,459,604	5,613,784	7,420,284	7,502,527	1,436,743	2,031,462	2,471,488	531,849	1,939,639	5,462,283	4,525,848
Cost of sales and operations, total	—	37,530	1,063,975	1,928,846	303,176	711,053	914,617	390,172	301,843	310,864	161,855	42,770	119,085	1,958,895	2,461,444
Cost of labor	—	*1,556	26,404	299,593	20,489	121,314	157,790	38,072	35,696	64,459	*71,493	*6,924	*64,569	324,812	*345
Bad debts from sales or services	*1	*186	2,791	19,642	2,406	2,936	14,299	3,013	*4,441	*1,037	*3,272	*463	*2,808	15,706	2,005
Car and truck expenses	2,027	35,623	121,372	558,016	233,664	66,054	258,297	374,087	115,471	158,302	200,685	37,897	162,988	389,937	209,952
Depletion	*2	759	*19	4,562	1,546	*2,715	301	1,299	*7	1,760	*155	*147	*8	2,846	4,494
Depreciation	845	197,291	380,104	1,568,406	600,412	412,225	555,769	521,343	137,763	216,061	326,923	76,939	251,984	409,810	199,333
Dues and publications	*1,984	7,641	15,110	293,347	154,935	53,554	84,858	157,256	22,094	25,048	60,532	13,754	46,777	31,216	11,437
Interest on business indebtedness	*591	26,917	140,637	632,607	176,876	187,228	268,505	153,200	43,686	49,096	135,629	29,183	106,446	141,401	117,123
Office expense	*1,207	2,247	41,685	541,854	211,663	162,854	167,337	318,711	18,618	69,479	109,583	23,701	84,882	84,842	23,690
Pension and profit-sharing plans	—	*67	*420	118,385	83,429	16,490	18,456	22,553	*22	569	2,354	*309	*2,045	1,876	*51
Rent on business property	*2,785	18,185	179,576	1,626,566	610,632	446,444	569,490	793,649	107,291	117,863	219,944	45,337	174,607	234,696	117,612
Net salaries and wages	*229	31,493	273,306	3,745,424	1,242,461	1,293,685	1,209,279	1,348,760	98,792	262,405	309,412	88,186	221,224	296,410	101,392
Gross salaries and wages	*229	31,493	273,306	3,773,174	1,265,048	1,297,909	1,210,218	1,353,570	98,800	262,829	309,537	88,312	221,225	296,432	101,553
Less: Jobs credit	—	—	—	27,750	22,586	*4,224	939	4,810	*7	*425	*125	*124	*1	*22	*161
Windfall profit tax withheld	—	561	*322	7,208	2,708	*2,763	*1,737	33	*(1)	*312	*5,231	*4	*5,227	43	1,871
Other business deductions	42,720	774,636	1,194,689	8,448,790	2,835,696	2,255,756	3,357,338	3,418,449	586,517	816,660	934,714	173,157	761,557	1,894,606	1,254,610
Net income less deficit	10,860	-419,216	212,452	12,963,952	6,682,367	2,966,216	3,315,369	5,108,702	289,358	1,251,777	1,453,250	281,660	1,171,590	1,435,330	660,610
Net income	19,751	144,195	560,976	13,341,561	6,805,811	3,020,600	3,515,150	5,389,658	514,215	1,448,866	1,547,462	305,950	1,241,512	1,855,884	1,031,244
Deficit	*8,890	563,409	348,524	377,609	123,443	54,384	199,781	280,956	144,858	197,108	94,212	24,290	69,922	420,554	361,634
Businesses with net income															
Number of returns	4,948	10,572	80,766	416,071	129,893	68,336	217,842	184,663	126,256	104,666	207,302	24,677	182,625	254,066	114,704
Business receipts, total	59,154	396,193	2,727,557	30,581,462	12,566,577	6,329,676	9,685,009	11,843,396	1,229,406	3,060,380	3,591,840	788,514	2,823,126	6,307,940	3,665,442
Income from sales and operations	59,096	383,561	2,517,312	29,600,208	12,329,232	6,106,506	9,164,470	11,723,220	1,220,818	3,037,503	3,513,075	763,779	2,749,296	6,203,907	3,629,604
Other business income	*58	12,605	210,245	980,634	256,958	223,369	500,308	120,165	8,588	22,846	78,664	4,735	73,930	103,840	55,487
Windfall profit tax credit or refund	—	*7	—	*620	*387	*(1)	*233	*11	—	*33	*(1)	*(1)	—	*195	*351
Business deductions, total	39,434	251,998	2,166,581	17,239,901	5,780,766	5,309,275	6,149,860	6,453,738	715,191	1,611,494	2,044,178	482,864	1,561,314	4,452,056	2,654,198
Cost of sales and operations, total	—	*3,759	802,719	1,707,186	267,559	673,297	766,342	367,297	69,366	227,861	145,049	42,626	102,423	1,729,169	1,520,416
Cost of labor	—	*742	*18,486	296,444	20,423	121,314	154,706	38,072	*9,256	61,925	*71,493	*6,924	*64,569	323,111	—
Bad debts from sales or services	—	*21	*1,950	18,046	2,406	2,936	12,703	2,763	*1,539	*878	*2,054	—	*2,054	6,570	*1,057
Car and truck expenses	*980	11,044	64,639	500,253	221,430	59,169	219,654	334,510	66,696	127,919	170,448	33,656	136,791	320,013	163,106
Depletion	*2	*590	*14	4,336	1,358	*2,714	*263	1,260	*7	*1,667	*39	*31	*8	494	*3,811
Depreciation	*275	16,990	215,356	1,322,616	489,718	375,543	457,355	401,984	75,762	130,208	261,915	61,482	200,433	271,936	72,623
Dues and publications	*1,971	676	6,041	266,648	143,206	51,686	73,756	139,784	11,745	21,492	53,073	12,039	41,034	18,495	11,013
Interest on business indebtedness	—	4,015	64,453	516,975	132,202	175,499	211,274	122,198	25,566	36,656	93,821	25,196	68,625	86,154	39,516
Office expenses	*1,126	550	26,425	505,429	197,086	151,893	156,450	293,557	11,517	60,281	87,841	16,983	70,878	62,654	16,267
Pension and profit-sharing plans	—	*3	*417	117,664	82,765	16,498	18,400	22,550	*17	565	2,354	*309	*2,045	1,755	*51
Rent on business property	*1,553	*7,141	92,628	1,494,759	570,807	405,297	518,654	686,816	66,964	92,735	197,583	40,920	156,643	176,604	49,037
Net salaries and wages	—	*1,174	167,550	3,251,096	1,126,897	1,238,441	885,758	1,263,131	61,281	213,666	265,615	84,666	180,947	276,682	38,726
Gross salaries and wages	—	*1,174	167,550	3,278,779	1,149,485	1,242,665	886,629	1,267,941	61,281	214,313	265,740	84,792	180,948	276,683	38,886
Less: Jobs credit	—	—	—	27,683	22,588	*4,224	872	4,810	—	*425	*125	*124	*1	*1	*161
Windfall profit tax withheld	—	*519	*7	7,197	2,701	*2,763	*1,734	29	*(1)	*304	*4,962	*4	*4,958	*27	1,673
Other business deductions	33,523	205,516	724,382	7,523,696	2,542,630	2,153,550	2,827,316	2,817,879	322,701	697,040	759,443	144,666	614,774	1,497,502	756,693
Net income	19,751	144,195	560,976	13,341,561	6,805,811	3,020,600	3,515,150	5,389,658	514,215	1,448,866	1,547,462	305,950	1,241,512	1,855,884	1,031,244

*This estimate should be used with caution because of the small number of sample returns on which it was based.
(1)Less than $500.
NOTE: Detail may not add to total because of rounding.

Partnership Returns, 1984

By Alan Zempel*

Large losses reported by partnerships, frequently generated by deductions in excess of the amount invested, allow many taxpayers to shield other income from taxation [1, 2]. This trend is again evident for Tax Year 1984, although to a somewhat lesser extent. For several years, the two leading industries in terms of losses generated have been oil and gas extraction and real estate. For 1984, oil and gas extraction produced a positive amount of net income for the first time since 1976 ($0.8 billion) while real estate continued to show a large loss ($21.2 billion).

DATA HIGHLIGHTS

The number of returns filed by active partnerships for 1984 rose to more than 1.6 million [3]. This was a 6.6 percent increase over the number filed for 1983. The increase was in line with those experienced for other recent years. Overall, partnerships for 1984 reported a loss in excess of $3.5 billion, almost $0.9 billion more than the $2.6 billion loss posted for 1983. Figure A shows, by industrial division, a comparison of the number of partnerships and the net income less deficit for 1983 and 1984.

Losses incurred by real estate partnerships, particularly operators and lessors of buildings, dominate the 1984 statistics as they have in previous years. Only about 42 percent of the returns in this industry had a positive net income amounting to less than $15 billion. Losses in this industry totalled more than $33 billion, which was more than 54 percent of the total partnership deficit of $73 billion. The net income (less deficit) in this industry exceeded that of any other industry and all industrial divisions except services, which had almost $25 billion in net income (less deficit).

Figure A. --Number of Partnerships and Net Income Less Deficit, by Industrial Division, 1983 and 1984

[All figures are estimates based on samples -- money amounts are in thousands of dollars]

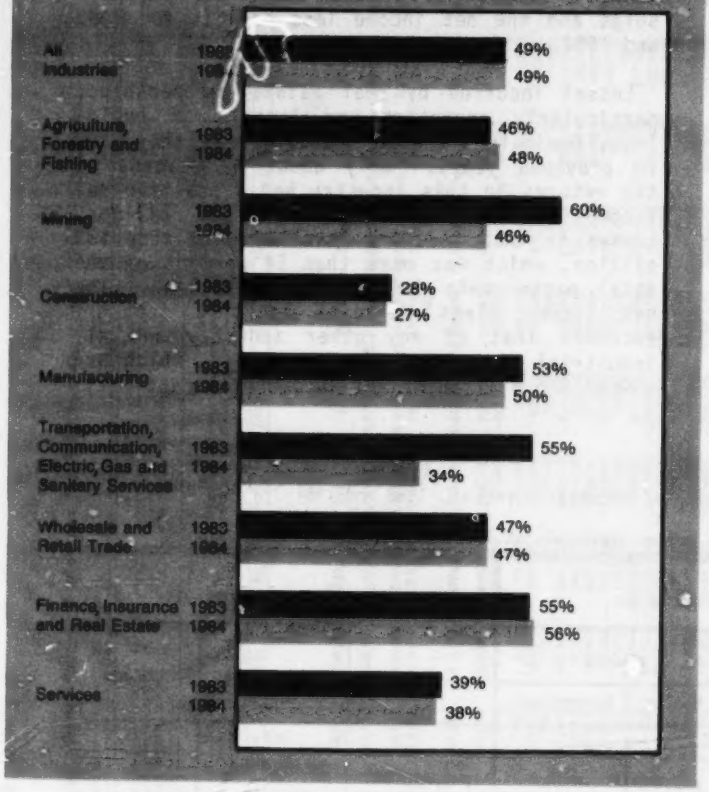
Industrial division	Number of partnerships				Net income less deficit		
	1983	1984	Change		1983	1984	Change
			Number	Percentage			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total 1/	1,541,539	1,643,581	102,042	6.6%	$-2,610,041	$-3,500,024	$-889,983
Agriculture, forestry, and fishing	136,603	139,306	2,703	2.0	-144,856	-749,030	-604,174
Mining	59,596	56,548	-3,048	-5.1	-4,109,760	69,112	4,178,872
Construction	63,592	64,607	1,015	1.6	2,167,975	2,193,322	25,347
Manufacturing	26,451	29,606	3,155	11.9	-744,064	-1,100,943	-356,879
Transportation and public utilities	20,132	20,578	446	2.2	-703,495	-2,007,032	-1,303,537
Wholesale and retail trade	194,360	184,841	-9,519	-4.9	1,539,779	1,666,476	126,697
Finance, insurance, and real estate	730,067	790,902	60,835	8.3	-13,105,211	-19,243,718	-6,138,507
Services	306,294	331,103	24,809	8.1	12,456,811	15,583,256	3,126,445

1/Includes Nature of business not allocable, which is not shown separately.

*Corporation Special Projects Section. Prepared under the direction of Thomas Petska, Chief.

Figure B shows, by industrial division, the percentage of returns with net loss for 1983 and 1984. The decline in the percentage of returns in mining that showed a loss, from 60 to 46 percent, is most notable. For the first time in a number of years this industry showed positive net income (less deficit) [4]. For most of the other divisions, there are very few changes from one year to the next.

Figure B
Percent of returns with net loss, by industrial division, 1983 and 1984



Overall partnership statistics for 1984 are once again dominated by one industrial division, finance, insurance, and real estate. This division accounted for 790,902 partnerships, nearly one-half of all partnerships. Within this division, one industry, operators and lessors of buildings, accounted for 536,216 returns, or almost one-third of all partnerships. In addition, operators and lessors of buildings accounted for almost 50 percent of the total assets reported by all partnerships.

Partnerships in the services division showed the highest level of net income (less deficit) ($15.8 billion). Within this division, partnerships operating as legal services showed the largest amount of net income (less deficit) ($10.0 billion). Other service industri showing significant amounts of net income we medical and health service ($4.6 billion) a accounting, auditing, and bookkeeping servic ($2.3 billion).

Of special interest in Table 2 is the fir publication in a recent partnership Bullet article of the depreciation deduction. previous articles, the amount of depreciati has not been presented because it is inco pletely reported on the deduction schedule f partnerships in the farming and in real esta industries. The depreciation deduction sho in Table 2 was tabulated from the Form 456 Depreciation and Amortization, and is the tot depreciation deduction available to the par nership.

Table 2 also contains an entry for payro which is new for 1984. This item is the sum two deduction items from the partnership for salaries and wages before the jobs cred reduction and cost of labor from the cost goods sold schedule. The last data introduc in Table 2 are the number of limited partne ships. These were defined as partnerships wi at least one partner with liability limited the amount actually invested in the par nership. By law, every partnership must ha at least one general partner liable for t partnership's obligations.

Impact of Tax Shelters on Partnership Data

Tax shelter activity has a major impact profits reported by partnerships. Tax shelte provide investors with a means of realizing profit, while minimizing the taxable inco they must report on their tax returns [5 Partnerships are an effective vehicle f accomplishing these goals, because partner investment resources can be pooled for particular activity, and business income (losses) can be passed through to the partner Partnership income is not taxed directly [6].

A tax shelter creates a mismatching of inco and deductions to create tax losses and co verts ordinary income (which is fully taxe into tax-favored capital gains income, which effectively taxed at lower rates [7]. F example, oil and gas partnerships initial produce deductions (and resulting losse mainly through the expensing of dry hole a intangible drilling costs; only later (if all) does the oil or gas production result income. In addition, once wells become produ tive, they are often sold by the partnershi and the resulting profit receives favorab long-term capital gains treatment.

Two of the most common means by which a ta shelter partnership generates deductions (a thereby losses) are through borrowing, whi creates a deduction for interest paid, a

through acquiring property, for which a deduction for accelerated depreciation may be taken. Because real estate is usually acquired by means of a mortgage and buildings are entitled to accelerated depreciation deductions, this industry is well suited to generating these deductions. When property is held for more than a year, there is a further tax advantage because any gain on the sale of that property is a long-term capital gain.

There are other reasons why real estate tax shelters are attractive to investors. One reason is that real estate activities are exempt from the "at risk" rules. These rules limit the amount of losses most investors may deduct to the amount the investors have "at risk" in the activity [8]. For partnerships in general, the "at risk" amount is equal to the amount of cash or value of property contributed to the partnership by the partner, plus any amounts borrowed by the partnership for which the partner is personally liable.

Exemption of real estate from the "at risk" rules has made this industry particularly attractive since the partner may be entitled to deduct losses far in excess of actual investment in the activity. In fact, losses deducted for the first year of operation can be 10 (or more) times the size of investment required to become a partner. A high ratio of losses-deducted-to-investment can subject the activity to scrutiny by the Internal Revenue Service to determine if it is "economically viable." If it is not, the losses are disallowed.

Figure C shows the impact of limited partnerships on the overall data. While partnership losses have consistently ranged in the $3-billion to $7-billion range in the 1981-84 period, the breakdown for limited and general partnerships shows significantly different circumstances. For limited partnerships, losses have exceeded $15 billion in each of the last four years, while for general partnerships, the amount of income has been at least $10 billion. Since the limited partnership form of organization is the most attractive to a potential tax shelter investor, the overall magnitude of the losses attributable to limited partnerships may be indicative of tax shelter losses.

Net income (less deficit) for limited partnerships is shown by industrial division for 1984 in Figure D. Although less than 16 percent of all partnerships are limited partnerships, and even in finance, insurance, and real estate only slightly more than 23 percent are limited partnerships - these partnerships account for virtually all partnership losses. Within this industrial division one industry group, real estate, accounted for $18.1 billion in partnership losses. Operators and lessors of buildings within real estate showed a $16.4 billion loss.

Figure C. -- Net Income (Less Deficit) By Type of Partnership for 1981-1984

[All figures are estimates based on samples -- money amounts are in billions of dollars]

Year	Total	Limited partnerships	General partnerships
	(1)	(2)	(3)
1981...	-2.7	-15.7	13.0
1982...	-7.3	-17.5	10.2
1983...	-2.6	-18.7	16.1
1984...	-3.5	-22.6	19.1

Note: Data for 1981-83 published in Dworin [4].

The impact of real estate tax shelters in producing losses is clearly shown in the statistics. For 1984, real estate activities produced an overall net loss of $21.3 billion. Of this, $18.9 billion was reported by partnerships that were operators or lessors of buildings. Nearly 59 percent of the partnerships in this industry reported a loss, while only 49 percent of the total number of all partnerships realized losses.

SUMMARY

As was the case for 1981 through 1983, partnerships reported an overall net loss for 1984. Losses climbed to $3.5 billion for 1984, up from $2.6 billion for 1983. The 1984 loss, however, was much less than the $7.3 billion loss for 1982, in part reflecting the reduced activity of partnerships engaged in oil and gas extraction. The dominant industry in the statistics is operators and lessors of buildings, which accounted for almost 33 percent of the total number of partnerships and almost 50 percent of the assets reported by all partnerships.

DATA SOURCES AND LIMITATIONS

Sample Selection

Tax Year 1984 statistics were estimated from a probability sample stratified by combinations of receipts, total assets, net income (or loss) and industry. More than 30,000 returns were selected from a total population of about 1.6 million returns filed during Calendar Year 1985. All partnerships engaging in business or having income from sources within the United States were required to file Form 1065, Partnership Return of Income, to report the income or loss, deductions, credits, and other tax-related items generated by the partnership. Strata sample rates ranged from 0.1 percent to 100 percent.

Figure D. -- Net Income (Less Deficit) by Type of Partnership and Industrial Division, 1984

[All figures are estimates based on samples--money amounts are in millions of dollars]

Industrial division	Total	Limited partnerships	General partnership
	(1)	(2)	(3)
All industries	-3,500.0	-22,633.3	19,133.3
Agriculture, forestry, and fishing	-749.0	-770.4	21.4
Mining	69.1	731.1	-662.0
Construction	-2,193.3	-77.7	2,271.1
Manufacturing	-1,100.9	-576.8	-524.2
Transportation and public utilities	-2,007.0	-975.0	-1,032.0
Wholesale and retail trade	1,666.5	44.5	1,621.9
Finance, insurance, and real estate	-19,243.7	-18,283.7	-960.1
Services	15,583.3	-2,657.6	18,240.8

Note: Detail may not add to total because of rounding and exclusion of returns with nature o business not allocable.

Data Limitations

Because the data presented in this article are based on a sample of returns, they are subject to sampling error. To insure proper use of the estimates, the magnitude of the sampling error should be known.

The following table presents approximate coefficients of variation (CV's) for frequency estimates. The approximate CV's shown here are intended only as a general indication of data reliability and are not applicable to money amounts. For numbers of partnerships other than those shown, the corresponding CV's can be estimated by interpolation.

Estimated Number of Returns	Approximated Coefficient of Variation
4,000	0.50
8,000	0.35
25,000	0.20
98,000	0.10
390,000	0.05
1,100,000	0.03

The reliability of estimates based on samples and the use of CV's for evaluating the precision of sample estimates are discussed in the Appendix.

Data reported for deductions in the tables are understated in both the farming and the real estate industries. This understatement results from the requirement in these two industries to report only the net income from these two activities in the income statement shown on the partnership (Form 1065) return. Details for the specific deductions applicab to these two activities are reported on su plemental schedules that were not used for th study. To the extent that these are amoun shown for the detailed deduction items f these two industries in Table 1, they are fr business activities other than farming and re estate.

NOTES AND REFERENCES

[1] Piet, Patrick, "Partnership Return 1983," Statistics of Income Bulleti Summer 1985, Vol. 5, No. 1.

[2] U.S. Department of the Treasury, Intern Revenue Service, Statistics of Incom 1978-82, Partnership Returns, June 1985.

[3] The statistics include data only f active partnerships, which are defined those that reported any items of income deductions. Thus, a partnership reporti assets but no income and deductions is n included.

[4] More detailed analyses of trends in th industry are available in recent published articles such as [1] and Dwor Lowell, "An Analysis of Partnersh Activity, 1981-83," Statistics of Inco Bulletin, Spring 1986, Vol. 5, No. 4. Tatter article also contains a detail discussion of the nature of report particular income and deduction amounts certain industries.

[5] Tax shelter partnerships have been sho to be the largest source of offsets which high-income individuals reduce the tax liabilities. See Nelson, Susa "Taxes Paid by High-Income Taxpayers

the Growth of Partnerships," Statistics of Income Bulletin, Fall 1985, Vol. 5, No. 2.

[6] The partnership (Form 1065) income "bottom line" is not reflective of the total income or loss from partnerships that must be reported on the tax returns of partners. For a discussion of this issue and an analysis of the difference between these two measures, see Dworin, Lowell, "An Analysis of Partnership Activity, 1981-83," Statistics of Income Bulletin, Spring 1986, Vol. 5, No. 4.

[7] For more detailed information on tax shelters, see, for example, Skiba, Jonathan W. and Sullivan, Joseph P., The Tax Shelter Answer Book, Panel Publishers, Inc., Greenvale, NY, 1984.

[8] The "at risk" rules are detailed, for example, in the following works: Skiba and Sullivan, op. cit., pp. 71-77, and Willis, Arthur B., Rennell, John S., and Postlewaite, Philip F., Partnership Taxation, McGraw-Hill Book Company, New York, 1983.

Table 1—Total Assets and Income Statement for Selected Industries

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All industries	Agriculture, forestry, and fishing								
		Total	Farms							
			Total	Field crop	Vegetable and melon	Fruit and tree nut	Beef cattle feedlots	Beef cattle, except feedlots	Hogs, sheep, and goats	Dairy farms
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Partnerships With and Without Net Income										
Number of partnerships	1,643,881	139,306	112,817	41,997	1,988	11,379	1,846	19,845	5,714	18
Number of partners	12,426,721	494,392	389,673	156,679	5,385	78,204	6,286	55,879	13,509	42
Total assets	1,030,848,519	26,738,825	22,043,910	7,563,058	571,935	4,691,527	438,539	3,633,820	267,581	2,173
Total receipts	375,182,511	8,483,200	5,485,113	1,990,658	262,806	404,303	294,777	982,542	238,415	579
Business receipts	318,342,390	5,885,672	3,113,091	891,685	71,548	213,040	266,690	535,249	187,610	336
Income from other partnerships and fiduciaries	4,136,685	22,140	21,220	14,136	18	5,480	348	645	—	
Nonqualifying interest and dividends	16,651,205	332,120	280,309	84,804	13,382	57,336	3,450	68,736	1,413	18
Rents received	19,112,666	258,274	213,816	169,246	2,061	14,922	1,508	12,637	—	8
Royalties	1,139,586	52,782	77,802	51,392	1,712	—	576	11,388	—	7
Farm net profit	1,587,326	1,503,516	1,464,850	732,654	170,015	86,725	20,135	121,204	42,171	170
Net gain, noncapital assets	2,892,749	297,195	246,084	37,696	184	17,769	66	91,892	2,187	34
Other receipts	11,329,715	111,490	67,931	9,041	3,907	9,029	2,005	20,788	5,030	3
Total deductions	378,692,535	9,242,229	6,092,058	1,597,877	99,374	773,659	295,605	1,206,824	254,894	884
Cost of sales and operations	180,857,822	3,498,298	2,110,767	445,414	58,982	107,225	221,009	449,719	178,009	231
Inventory, beginning of year	41,480,731	505,828	356,163	173,406	701	17,538	18,752	72,393	4,375	52
Purchases	100,358,781	2,321,413	1,408,612	290,627	40,336	32,278	219,180	387,553	94,237	94
Cost of labor	7,826,231	177,808	70,125	36,876	2,181	18,962	1,233	1,179	—	2
Other costs	70,636,082	985,878	850,867	108,702	15,589	58,506	157	93,910	91,059	87
Less: Inventory, end of year	39,446,014	492,645	375,018	166,213	2,825	20,059	18,222	105,315	11,661	5
Salaries and wages	28,522,628	378,826	152,190	80,369	3,672	11,931	8,234	6,941	348	6
Less: Jobs credit	22,515	314	11	2	9	—	—	—	—	
Guaranteed payments to partners	7,517,503	254,850	199,687	70,339	4,856	25,727	1,722	30,386	6,023	43
Rent paid	7,533,299	76,190	36,422	16,941	132	3,509	809	6,421	91	4
Interest paid	25,437,586	363,290	194,734	46,850	1,905	38,372	3,687	44,389	4,106	9
Taxes paid	6,673,186	88,031	40,129	22,115	738	6,856	521	2,674	118	2
Bad debts	657,156	19,416	17,846	1,353	7	104	—	2,122	—	
Repairs	2,302,985	115,855	44,102	28,245	854	2,956	1,073	3,540	111	1
Depreciation	*	*	*	*	*	*	*	*	*	
Depletion	277,521	12,579	1,351	1,320	—	—	—	16	—	
Pension, profit sharing, annuity and bond purchase plans	530,116	8,185	3,856	2,536	—	429	29	313	—	
Employee benefit programs	871,299	6,650	5,701	5,010	130	57	84	53	—	
Net loss from other partnerships and fiduciaries	10,021,195	193,635	176,993	9,013	3,062	12,950	1,672	140,209	—	
Rent net loss	26,398,850	25,554	22,472	17,029	412	1,379	—	857	326	
Royalty net loss	20,427	—	—	—	—	—	—	—	—	
Farm net loss	2,669,010	2,505,903	2,300,380	607,853	13,391	480,275	28,153	393,360	58,808	331
Net loss, noncapital assets	389,944	27,916	24,622	10,066	42	1,379	1,047	2,116	—	9
Other deductions	58,252,033	1,205,369	568,098	180,148	7,852	73,944	24,478	96,635	6,851	16
Net income (less deficit)	-3,500,024	-749,030	-608,945	392,779	163,432	-369,358	-826	-344,282	-16,480	-84
Net income	69,696,922	2,478,151	2,038,860	1,023,547	182,323	150,974	29,244	212,244	45,002	227
Deficit	73,196,946	3,227,181	2,645,806	630,769	18,890	520,331	30,071	558,526	61,482	312
Partnerships With Net Income										
Number of partnerships	844,738	72,836	58,788	27,578	1,587	3,877	1,148	8,509	3,624	8
Number of partners	6,503,396	230,866	197,598	102,359	4,331	30,678	3,413	21,780	7,787	17
Total assets	400,421,162	9,688,783	8,449,528	4,003,538	326,605	1,471,202	373,643	797,992	59,798	758
Total receipts	258,326,889	6,131,495	4,275,128	1,561,763	240,587	274,283	207,371	649,905	182,361	507
Business receipts	214,347,924	4,003,756	2,239,529	537,157	55,856	117,998	179,943	398,396	133,170	319
Income from other partnerships and fiduciaries	3,942,332	20,376	19,624	13,166	—	5,401	348	454	—	
Nonqualifying interest and dividends	12,492,452	228,317	204,434	71,092	11,752	38,211	3,258	49,970	1,399	12
Rents received	15,220,968	177,982	171,658	145,165	39	12,142	1,285	7,850	—	3
Royalties	900,804	65,687	60,965	51,370	—	—	576	8,032	—	5
Farm net profit	1,557,859	1,479,816	1,441,160	726,169	170,015	81,494	20,135	120,850	42,171	161
Net gain, noncapital assets	2,080,297	114,256	105,273	13,232	157	16,802	28	58,532	858	7
Other receipts	7,784,233	41,300	32,484	4,412	2,767	2,214	1,820	5,822	4,963	2
Total deductions	188,629,967	3,653,343	2,236,298	538,216	58,265	123,299	178,127	437,661	137,359	280
Cost of sales and operations	104,964,326	2,296,649	1,572,853	282,280	44,557	61,585	140,144	344,308	125,198	224
Inventory, beginning of year	16,816,406	278,271	237,349	133,970	594	10,165	15,222	15,008	3,205	52
Purchases	86,203,185	1,452,385	996,072	171,465	37,884	26,040	138,648	275,361	60,827	87
Cost of labor	5,047,576	83,552	49,795	34,153	—	9,351	45	1,011	—	2
Other costs	29,135,144	678,082	469,948	55,786	8,732	25,955	—	61,095	61,215	87
Less: Inventory, end of year	12,237,994	195,655	180,325	113,109	2,653	9,925	13,770	8,166	49	5
Salaries and wages	21,370,912	216,718	83,764	42,678	2,849	4,796	8,224	2,056	199	3
Less: Jobs credit	18,252	11	11	2	9	—	—	—	—	
Guaranteed payments to partners	3,482,555	76,669	61,309	33,825	1,110	1,142	1,722	178	5,725	10
Rent paid	5,176,220	35,011	19,737	8,915	40	1,600	611	2,051	—	4
Interest paid	8,365,130	92,730	64,966	15,994	379	10,668	3,015	12,848	2,073	6
Taxes paid	4,057,822	48,712	23,993	15,663	475	2,504	515	480	15	1
Bad debts	301,626	2,045	1,435	781	—	92	—	420	—	
Repairs	1,290,767	76,611	22,897	14,704	548	2,004	1,067	221	16	1
Depreciation	*	*	*	*	*	*	*	*	*	
Depletion	192,824	6,032	30	—	—	—	—	16	—	
Pension, profit sharing, annuity and bond purchase plans	464,054	5,672	3,544	2,536	—	429	29	—	—	
Employee benefit programs	603,825	3,235	2,367	1,816	130	53	84	—	—	1
Net loss from other partnerships and fiduciaries	472,010	5,165	5,104	1,087	3,044	938	—	22	—	
Rent net loss	740,287	3,855	774	163	166	10	—	—	—	
Royalty net loss	22	—	—	—	—	—	—	—	—	4
Farm net loss	109,128	60,000	59,256	8,470	1,401	5,451	—	32,523	—	
Net loss, noncapital assets	71,002	3,457	3,457	2,369	31	16	919	37	—	11
Other deductions	30,394,977	579,336	259,347	81,545	3,070	27,421	18,875	41,233	4,090	10
Net income	69,696,922	2,478,151	2,038,860	1,023,547	182,323	150,974	29,244	212,244	45,002	227

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Agriculture, forestry, and fishing—Continued				Mining			Construction		
	Farms—Continued			Agricultural services, forestry, and fishing	Total	Oil and gas extraction	Other mining	Total	General contractors	Special Trade Contractors
	Poultry and eggs	General livestock including animal specialty	Other farms							Total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Partnerships With and Without Net Income										
Number of partnerships	978	6,418	4,544	26,489	58,548	50,988	5,588	84,607	25,574	39,091
Number of partners	2,552	20,807	10,318	104,718	2,007,460	1,883,264	124,196	173,273	65,095	108,083
Total assets	542,866	1,776,755	384,709	4,694,915	52,415,093	41,265,540	11,149,553	13,783,426	11,750,740	2,032,516
Total receipts	357,354	354,107	140,713	3,008,087	22,054,470	17,480,989	4,593,481	23,847,838	16,326,709	7,403,613
Business receipts	324,627	200,974	86,538	2,772,581	18,637,787	14,177,318	4,460,449	23,198,439	15,746,593	7,414,330
Income from other partnerships and fiduciaries	—	578	—	920	1,114,131	1,096,259	15,872	123,454	121,102	2,352
Nonqualifying interest and dividends	645	27,605	4,903	51,811	423,420	379,247	44,173	212,516	191,606	20,910
Rents received	315	3,048	1,544	44,456	41,585	30,012	11,573	74,895	52,056	22,839
Royalties	—	4,919	—	4,980	551,565	545,610	5,955	1,933	583	1,350
Farm net profit	31,616	41,004	48,719	38,656	1,966	1,895	71	122	122	—
Net gain, noncapital assets	6	61,315	—	51,111	154,482	150,836	3,646	38,963	28,399	8,563
Other receipts	142	14,664	10	43,589	1,129,554	1,077,812	51,742	199,516	186,247	13,269
Total deductions	350,197	573,554	175,892	3,150,171	21,985,357	16,873,648	5,311,711	21,654,516	15,213,585	6,429,629
Cost of sales and operations	230,516	153,158	35,215	1,367,532	5,924,109	3,356,057	2,568,051	17,192,497	12,975,383	4,217,114
Inventory, beginning of year	2,102	5,540	9,246	149,665	433,155	173,984	259,171	3,239,050	2,969,751	269,299
Purchases	66,722	158,822	23,964	912,801	1,930,832	1,434,720	496,112	5,369,539	3,065,851	2,303,688
Cost of labor	730	1,845	2,849	107,880	450,426	61,919	388,507	1,776,600	1,221,946	554,654
Other costs	165,308	20,090	6,724	335,012	3,586,182	1,894,954	1,691,227	9,998,213	8,471,944	1,526,269
Less: Inventory, end of year	4,344	33,137	7,568	117,627	476,486	209,520	266,966	3,190,907	2,754,106	436,799
Salaries and wages	8,667	9,634	13,756	226,636	535,355	300,402	234,953	837,080	321,132	515,948
Less: Jobs credit	—	*	—	303	229	229	—	1,096	358	738
Guaranteed payments to partners	2,909	7,268	7,051	55,163	132,832	116,652	16,181	405,140	249,972	155,167
Rent paid	1,465	961	1,652	39,758	285,384	227,013	58,371	119,355	65,919	53,436
Interest paid	7,065	19,273	19,683	168,556	1,446,686	1,151,108	295,579	475,227	372,544	102,683
Taxes paid	1,168	1,534	1,914	47,903	626,753	471,390	155,363	223,235	116,253	106,982
Bad debts	2	14,155	17	1,571	30,780	25,164	5,616	10,531	5,799	4,732
Repairs	3,413	1,367	939	71,754	85,862	36,498	49,364	99,231	35,066	54,165
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	15	—	11,229	204,971	22,642	182,329	745	455	290
Pension, profit sharing, annuity and bond purchase plans	122	221	24	4,329	23,366	6,677	16,689	8,731	4,636	4,095
Employee benefit programs	153	214	—	949	25,469	6,184	19,285	10,590	5,950	4,640
Net loss from other partnerships and fiduciaries	—	9,552	—	16,642	686,126	611,881	74,245	19,334	18,620	714
Rent net loss	—	—	1,345	3,082	6,792	5,617	1,175	50,205	49,775	430
Royalty net loss	—	—	—	—	12,138	11,929	209	6	6	—
Farm net loss	23,444	379,071	4,078	205,523	9,060	9,060	—	—	—	—
Net loss, noncapital assets	—	742	—	3,296	53,883	52,126	1,737	9,641	9,476	165
Other deductions	58,006	38,967	64,546	637,272	8,946,145	7,932,128	1,014,017	1,742,544	831,757	899,463
Net income (less deficit)	7,158	-319,447	-35,178	-142,084	69,112	787,343	-718,230	2,193,322	1,113,145	1,053,985
Net income	52,052	61,930	54,186	439,291	7,857,115	7,348,703	508,411	2,966,387	1,707,116	1,233,078
Deficit	44,896	381,377	89,364	581,375	7,788,002	6,561,361	1,226,642	773,065	593,971	179,094
Partnerships With Net Income										
Number of partnerships	841	1,588	2,002	14,047	30,606	26,813	3,794	46,921	15,428	31,461
Number of partners	1,554	3,495	4,520	33,268	1,359,138	1,320,479	38,659	110,082	40,431	69,557
Total assets	391,777	200,509	66,081	1,239,255	24,208,151	21,583,632	2,624,520	7,807,779	6,358,493	1,449,116
Total receipts	332,751	209,670	108,875	1,856,368	17,792,218	14,575,138	3,217,080	19,419,157	13,151,784	6,229,858
Business receipts	300,063	140,746	56,792	1,764,227	14,713,880	11,596,671	3,117,208	18,943,340	12,724,409	6,181,415
Income from other partnerships and fiduciaries	—	241	—	755	1,102,200	1,066,359	15,841	122,215	119,922	2,293
Nonqualifying interest and dividends	607	10,891	4,685	23,863	263,924	231,762	32,161	177,830	159,643	18,186
Rents received	315	438	902	6,325	24,571	16,067	8,504	25,241	15,519	9,722
Royalties	—	473	—	4,722	517,989	512,323	5,667	1,906	555	1,350
Farm net profit	31,616	41,004	46,489	38,656	1,759	1,734	25	122	122	—
Net gain, noncapital assets	6	8,026	—	8,983	113,301	111,213	2,088	31,652	23,503	8,149
Other receipts	141	7,852	4	8,816	1,054,594	1,017,009	37,585	116,851	108,109	8,742
Total deductions	280,699	147,740	54,689	1,417,077	9,935,103	7,226,435	2,708,668	16,452,771	11,444,689	4,996,779
Cost of sales and operations	205,790	119,891	24,764	723,795	4,019,098	2,430,629	1,588,469	13,745,488	10,288,076	3,457,412
Inventory, beginning of year	2,102	4,526	448	40,922	235,900	123,526	112,374	1,741,484	1,533,929	207,555
Purchases	55,845	125,805	16,573	456,313	1,380,887	1,051,497	329,389	3,968,176	1,949,041	2,019,135
Cost of labor	730	—	2,230	33,757	324,702	42,068	282,633	1,443,709	1,030,280	413,430
Other costs	151,456	12,199	6,094	208,134	2,322,648	1,333,383	989,265	7,976,475	6,895,557	1,080,918
Less: Inventory, end of year	4,344	22,640	580	15,331	245,038	119,845	125,193	1,384,358	1,120,731	263,627
Salaries and wages	8,616	4,983	5,935	132,954	259,976	84,262	175,714	627,044	218,193	408,851
Less: Jobs credit	—	—	—	—	3	3	—	1,092	358	735
Guaranteed payments to partners	2,839	3,818	918	15,360	81,208	72,637	8,572	158,202	92,410	65,792
Rent paid	455	945	884	15,274	127,754	92,980	34,774	69,546	25,516	44,030
Interest paid	3,480	2,665	5,626	27,765	422,292	378,255	44,037	171,805	121,787	50,018
Taxes paid	1,041	650	708	24,718	486,771	376,965	109,806	155,340	85,420	69,920
Bad debts	2	37	17	610	18,169	16,591	1,579	7,945	4,093	3,851
Repairs	1,939	593	264	53,713	57,375	27,162	30,213	65,688	24,774	40,914
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	14	—	6,002	173,930	2,307	171,622	745	455	290
Pension, profit sharing, annuity and bond purchase plans	122	221	24	2,129	15,185	3,896	11,289	6,272	2,942	3,330
Employee benefit programs	153	131	—	867	9,869	2,149	7,720	8,485	4,952	3,532
Net loss from other partnerships and fiduciaries	—	12	—	61	159,295	158,802	493	4,576	4,107	469
Rent net loss	—	—	—	3,082	3,323	3,305	18	9,218	8,788	430
Royalty net loss	—	—	—	—	—	—	—	6	6	—
Farm net loss	—	250	—	744	5,985	5,985	—	—	—	—
Net loss, noncapital assets	—	82	—	—	6,435	4,763	1,672	356	272	84
Other deductions	49,180	10,026	13,232	319,989	2,950,893	2,573,666	377,227	1,188,287	487,010	689,954
Net income	52,052	61,930	54,186	439,291	7,857,115	7,348,703	508,411	2,966,387	1,707,116	1,233,078

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Construction—Continued					Manufacturing				
	Special trade contractors—Continued									
	Plumbing, heating, and air condition-ing	Painting, paper hanging and decorating	Masonry, stonework, tile set-ting and plastering	Contractors, not elsewhere classified	Contractors not allocable	Total	Lumber and wood products, except furniture	Printing, publishing, and allied industries	Machinery, except electrical	Other manu-facturing industries
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Partnerships With and Without Net Income										
Number of partnerships	4,252	6,348	4,199	24,306	31	29,806	2,162	4,414	1,019	22,012
Number of partners	11,279	14,158	9,073	73,577	94	93,001	6,534	19,094	2,299	65,573
Total assets	298,494	98,408	98,867	1,536,747	170	19,574,057	2,083,582	1,290,481	337,851	15,922,143
Total receipts	1,230,857	560,239	796,253	4,874,476	37,515	18,944,997	2,254,796	1,898,558	240,380	14,761,266
Business receipts	1,214,737	573,770	796,947	4,828,877	37,515	18,326,362	2,213,383	1,561,892	168,348	14,382,739
Income from other partnerships and fiduciaries	—	1,807	—	544	—	5,252	671	—	—	4,581
Nonqualifying interest and dividends	2,106	475	736	17,592	—	134,206	11,679	14,527	18,287	89,713
Rents received	11,739	4,115	187	6,796	—	78,663	3,398	2,816	51,978	20,472
Royalties	—	—	—	1,350	—	82,737	8,318	63,469	—	10,950
Farm net profit	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets	27	62	6	8,469	—	110,411	7,309	5,075	32	97,996
Other receipts	2,047	—	375	10,847	—	207,254	10,031	40,776	1,715	154,731
Total deductions	977,856	396,373	718,229	4,335,171	11,323	20,045,848	2,474,843	1,853,738	203,513	15,716,954
Cost of sales and operations	716,868	211,146	367,445	2,921,653	—	14,237,424	1,780,943	788,160	140,619	11,547,703
Inventory, beginning of year	30,340	827	4,381	233,752	—	1,506,345	208,569	40,545	31,340	1,225,790
Purchases	455,501	85,429	211,143	1,551,615	—	9,571,459	826,702	315,443	95,280	8,334,054
Cost of labor	72,338	36,831	69,147	376,337	—	1,437,464	317,169	119,955	8,030	992,809
Other costs	217,486	88,836	112,286	1,107,648	—	3,804,361	622,465	357,727	34,076	2,790,092
Less: Inventory, end of year	58,806	779	29,512	347,700	—	2,082,208	214,065	45,211	26,087	1,794,845
Salaries and wages	42,040	53,653	158,353	261,903	—	928,758	69,829	227,527	5,890	625,509
Less: Jobs credit	—	—	—	736	—	1,372	294	445	—	633
Guaranteed payments to partners	7,666	25,211	25,431	96,838	—	132,861	18,488	38,559	2,484	73,351
Rent paid	14,295	1,063	6,750	31,328	—	205,701	27,123	20,046	1,223	157,310
Interest paid	6,758	2,108	12,204	81,612	—	614,043	146,083	42,849	11,104	414,007
Taxes paid	13,013	15,952	12,407	65,610	—	209,394	43,364	29,026	829	136,175
Bad debts	1,900	—	753	2,078	—	37,025	5,919	6,245	191	24,670
Repairs	3,742	955	16,920	42,548	—	160,486	74,339	5,883	336	79,925
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	283	27	—	37,827	33,148	—	—	4,479
Pension, profit sharing, annuity and bond purchase plans	—	—	1,914	2,180	—	24,576	2,411	5,131	259	16,775
Employee benefit programs	379	—	2,146	2,115	—	62,247	4,699	13,634	102	43,812
Net loss from other partnerships and fiduciaries	59	21	11	624	—	23,216	3,160	276	—	19,781
Rent net loss	51	52	—	327	—	27,996	104	8	—	27,885
Royalty net loss	—	—	—	—	—	113	—	—	—	113
Farm net loss	—	—	—	—	—	4,783	1,749	—	—	3,035
Net loss, noncapital assets	76	—	—	99	—	7,503	2,602	52	—	4,850
Other deductions	126,848	79,370	96,877	586,368	11,323	2,241,024	160,308	436,817	29,753	1,614,346
Net income (loss deficit)	252,801	191,855	80,023	539,305	26,192	-1,100,943	-219,863	34,818	39,844	-955,732
Net income	293,298	198,834	86,475	696,503	26,192	1,165,440	73,457	212,446	51,331	828,207
Deficit	10,492	4,979	6,451	157,197	—	2,266,383	293,310	177,628	11,486	1,783,959
Partnerships With Net Income										
Number of partnerships	3,567	4,298	3,946	19,628	31	14,943	1,838	2,941	493	9,376
Number of partners	9,704	9,092	8,572	42,189	94	37,144	4,512	7,959	1,017	24,557
Total assets	268,818	87,293	48,782	1,044,232	170	5,521,208	433,053	721,306	192,920	4,173,928
Total receipts	1,121,590	433,195	700,890	3,974,383	37,515	10,350,844	913,736	1,175,763	217,678	8,043,447
Business receipts	1,116,799	426,993	699,511	3,938,113	37,515	10,062,865	893,951	1,146,633	155,747	7,866,533
Income from other partnerships and fiduciaries	—	1,807	—	496	—	4,960	636	—	—	4,324
Nonqualifying interest and dividends	2,106	475	611	14,996	—	55,336	7,329	12,603	8,208	27,203
Rents received	623	3,859	187	5,053	—	61,041	354	2,793	51,978	5,979
Royalties	—	—	—	1,350	—	9,573	1	61	—	9,511
Farm net profit	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets	27	62	6	8,055	—	104,829	6,071	4,961	32	93,765
Other receipts	2,035	—	375	6,332	—	52,030	5,396	8,794	1,715	36,133
Total deductions	858,323	246,361	614,215	3,277,881	11,323	9,195,201	840,293	963,336	188,348	7,215,340
Cost of sales and operations	641,800	134,357	336,015	2,345,240	—	6,914,599	613,290	553,062	134,053	5,614,195
Inventory, beginning of year	30,151	147	4,223	173,033	—	675,784	52,919	25,761	29,271	567,832
Purchases	447,192	48,885	185,614	1,337,444	—	4,700,467	358,522	258,975	89,499	3,993,469
Cost of labor	55,011	26,328	69,147	262,944	—	674,650	79,511	111,049	7,545	476,545
Other costs	168,065	59,141	81,873	771,838	—	1,753,688	192,451	187,711	33,787	1,339,759
Less: Inventory, end of year	58,619	145	4,843	200,021	—	889,990	70,116	30,435	26,030	763,410
Salaries and wages	34,663	27,804	130,979	215,385	—	556,919	43,354	139,035	3,799	370,731
Less: Jobs credit	—	—	—	736	—	814	175	439	—	200
Guaranteed payments to partners	3,486	—	15,782	46,544	—	84,167	11,987	15,152	249	36,800
Rent paid	13,799	1,063	5,815	23,353	—	84,718	6,271	15,987	303	62,157
Interest paid	4,159	1,294	5,319	39,246	—	188,527	17,707	18,844	9,924	122,253
Taxes paid	9,320	6,550	6,506	47,542	—	115,032	9,533	22,056	595	82,845
Bad debts	1,585	—	753	1,514	—	19,533	2,405	3,894	14	13,420
Repairs	3,742	707	16,535	19,930	—	80,702	29,074	4,500	249	49,879
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	283	27	—	4,273	—	—	—	4,273
Pension, profit sharing, annuity and bond purchase plans	—	—	1,914	1,415	—	12,168	499	3,475	214	7,980
Employee benefit programs	379	—	2,146	1,007	—	32,787	1,295	5,848	—	25,644
Net loss from other partnerships and fiduciaries	59	—	11	399	—	153	5	—	—	148
Rent net loss	51	52	—	327	—	823	—	8	—	815
Royalty net loss	—	—	—	—	—	—	—	—	—	—
Farm net loss	—	—	—	—	—	3,030	1,588	—	—	1,443
Net loss, noncapital assets	76	—	—	8	—	117	—	28	—	89
Other deductions	113,762	86,342	83,070	426,780	11,323	914,510	77,063	152,180	12,714	672,554
Net income	263,268	186,834	86,475	696,503	26,192	1,165,440	73,457	212,446	51,331	828,207

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Transportation, communication, electric, gas, and sanitary services					Wholesale and retail trade				
		Transportation						Retail trade		
	Total	Total	Trucking and warehousing	Other transportation	Communication, electric, gas, and sanitary services	Total	Wholesale trade	Total	Building materials, hardware, garden supply and mobile home dealers	General merchandise stores
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Partnerships With and Without Net Income										
Number of partnerships	30,576	13,783	9,980	3,803	6,796	184,841	21,389	163,473	7,992	4,937
Number of partners	142,061	54,697	33,288	21,412	87,368	443,712	66,782	396,907	18,937	10,574
Total assets	21,109,071	6,385,163	1,581,858	4,823,305	14,723,908	21,222,015	7,775,074	13,434,830	1,995,093	395,585
Total receipts	11,324,903	7,100,782	3,343,131	3,757,651	4,224,121	73,373,647	28,580,398	44,790,051	2,486,016	656,617
Business receipts	10,732,715	6,765,928	3,181,860	3,584,068	3,966,787	72,335,387	28,169,862	44,132,987	2,440,539	646,329
Income from other partnerships and fiduciaries	30,528	30,109	28,804	1,305	419	52,945	7,499	45,446	826	820
Nonqualifying interest and dividends	146,970	57,666	22,231	35,436	89,303	241,350	142,008	99,279	10,705	2,177
Rents received	138,157	105,400	43,336	62,064	2,757	87,755	24,978	62,377	3,577	766
Royalties	40	38	38	—	2	3,531	2,049	1,482	—	—
Farm net profit	321	321	92	229	—	11,417	11,046	371	—	298
Net gain, noncapital assets	83,633	53,961	25,071	28,890	29,672	57,836	7,308	50,487	912	66
Other receipts	222,536	87,356	41,699	45,658	135,182	583,326	215,628	367,622	39,457	8,165
Total deductions	13,331,935	6,755,184	3,226,278	3,528,906	6,576,751	71,707,071	28,209,296	43,465,129	2,339,385	650,960
Cost of sales and operations	5,572,292	4,038,187	2,043,108	1,995,062	1,534,125	56,135,446	24,923,035	31,183,888	1,662,313	587,322
Inventory, beginning of year	63,794	35,819	22,140	13,679	27,975	5,596,321	1,732,329	3,859,933	376,628	106,106
Purchases	3,616,391	2,762,639	1,650,016	1,112,623	853,753	52,816,665	23,267,990	29,520,022	1,633,171	598,170
Cost of labor	261,867	214,530	125,911	88,619	47,337	1,020,361	300,501	719,860	8,060	3,123
Other costs	1,689,054	1,038,226	246,755	791,471	650,827	2,934,073	1,503,796	1,430,216	53,833	7,800
Less: Inventory, end of year	58,813	13,047	1,717	11,330	45,766	6,231,949	1,881,570	4,346,135	408,377	127,880
Salaries and wages	667,837	245,212	160,215	84,996	442,625	4,200,645	725,574	3,473,487	176,133	76,777
Less: Jobs credit	7	1	—	1	6	5,254	100	5,154	53	59
Guaranteed payments to partners	102,303	81,447	73,982	7,466	20,856	777,739	224,577	553,089	54,339	23,129
Rent paid	189,893	68,594	51,001	17,593	121,299	1,555,041	146,291	1,408,686	36,766	32,100
Interest paid	1,253,616	376,269	95,949	280,340	877,327	913,836	359,968	553,832	46,144	10,634
Taxes paid	183,646	72,709	46,178	26,530	110,937	883,974	135,506	748,274	42,941	15,126
Bad debts	44,037	4,805	867	3,938	39,231	97,612	47,134	50,435	7,128	917
Repairs	151,040	119,806	91,724	28,082	31,234	327,448	78,388	248,924	11,676	1,999
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	3,848	—	—	—	3,848	5,936	4,575	1,363	—	—
Pension, profit sharing, annuity and bond purchase plans	9,273	2,539	1,325	1,214	6,734	33,964	16,816	17,147	1,801	764
Employee benefit programs	40,050	13,855	12,180	1,675	26,195	84,400	31,743	52,656	9,339	635
Net loss from other partnerships and fiduciaries	199,881	20,371	18,447	1,924	179,510	8,499	3,378	3,121	5	—
Rent net loss	52,980	45,892	9,790	36,102	7,088	57,007	12,969	43,724	5,648	3,677
Royalty net loss	—	—	—	—	—	41	41	—	—	—
Farm net loss	53	—	—	—	53	25,409	23,268	2,142	1	—
Net loss, noncapital assets	6,377	2,447	2,243	203	3,930	19,929	986	18,942	—	—
Other deductions	2,961,912	1,026,501	431,625	594,876	1,935,411	5,548,418	1,235,130	4,312,014	244,236	78,219
Net income (loss deficit)	-2,007,032	345,598	116,856	228,743	-2,352,630	1,666,576	371,098	1,294,922	158,633	5,757
Net income	1,280,499	972,883	183,689	789,195	307,616	3,238,481	839,618	2,398,115	208,625	55,889
Deficit	3,287,532	627,285	66,833	560,452	2,660,246	1,572,005	468,519	1,103,193	51,992	50,132
Partnerships With Net Income										
Number of partnerships	13,553	10,189	8,200	1,778	3,364	97,575	14,731	83,141	2,218	1,739
Number of partners	42,949	34,040	27,545	6,495	8,908	221,710	34,896	186,795	7,606	4,068
Total assets	5,200,772	3,026,485	1,075,166	1,951,300	2,174,307	12,412,133	4,359,866	8,040,801	818,446	134,846
Total receipts	7,804,033	5,982,828	3,075,912	2,906,716	1,821,404	47,823,588	14,782,918	33,037,568	2,096,543	534,576
Business receipts	7,445,377	5,742,580	2,936,843	2,805,737	1,702,797	46,959,208	14,439,798	32,486,892	2,050,242	527,159
Income from other partnerships and fiduciaries	28,870	28,804	28,804	—	66	51,845	6,640	45,005	826	505
Nonqualifying interest and dividends	72,739	39,036	21,250	17,787	33,703	194,791	107,234	87,493	9,410	2,052
Rents received	53,033	51,743	37,775	13,968	1,290	70,970	18,150	52,421	2,601	545
Royalties	40	38	38	—	2	3,521	2,044	1,477	—	—
Farm net profit	321	321	92	229	—	11,388	11,026	362	—	296
Net gain, noncapital assets	67,955	52,354	23,672	28,682	15,601	43,614	5,979	37,595	827	41
Other receipts	135,696	67,751	27,438	40,314	67,947	486,448	162,047	326,324	32,636	4,078
Total deductions	6,523,533	5,009,745	2,892,223	2,117,522	1,513,788	44,585,104	13,913,300	30,639,454	1,987,918	478,787
Cost of sales and operations	4,283,095	3,481,438	1,951,828	1,529,611	801,657	34,631,489	11,819,790	22,783,178	1,400,597	370,751
Inventory, beginning of year	39,450	31,673	22,056	9,616	7,777	3,578,470	827,129	2,747,283	291,060	71,551
Purchases	3,231,772	2,706,228	1,642,653	1,063,575	525,544	32,433,358	10,727,658	21,677,053	1,392,754	377,229
Cost of labor	173,075	163,270	108,909	54,361	9,805	700,341	249,403	450,938	5,433	606
Other costs	856,322	586,763	179,298	409,465	267,559	1,982,031	1,042,325	939,646	21,476	553
Less: Inventory, end of year	17,523	8,496	1,089	7,406	9,028	4,062,690	1,026,725	3,031,721	310,146	79,190
Salaries and wages	284,280	180,101	136,935	43,166	104,179	2,980,126	504,328	2,474,214	133,984	35,608
Less: Jobs credit	1	—	—	—	1	4,894	28	4,866	31	59
Guaranteed payments to partners	73,080	62,831	57,334	5,497	10,230	527,136	172,821	354,242	38,427	9,018
Rent paid	61,047	46,149	36,200	9,948	14,898	869,229	100,420	768,745	26,313	15,532
Interest paid	215,598	122,560	58,820	63,741	93,038	401,485	137,033	264,414	23,707	2,079
Taxes paid	79,414	55,449	38,750	16,699	23,965	591,813	94,570	497,049	32,558	4,057
Bad debts	9,332	2,475	528	1,947	6,857	57,502	21,495	35,963	5,986	809
Repairs	116,377	102,349	86,825	15,524	14,028	198,299	41,724	156,420	7,656	1,321
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	—	—	—	5,724	4,575	1,149	—	—
Pension, profit sharing, annuity and bond purchase plans	2,533	1,878	1,325	554	654	24,616	13,538	11,078	1,772	764
Employee benefit programs	16,552	11,156	10,480	676	5,396	64,502	23,436	41,012	9,206	422
Net loss from other partnerships and fiduciaries	1,720	322	—	322	1,398	3,955	2,314	1,641	5	—
Rent net loss	1,735	1,735	—	1,735	—	5,394	1,289	4,105	—	—
Royalty net loss	—	—	—	—	—	—	—	—	—	—
Farm net loss	53	—	—	—	53	4,334	2,405	1,929	1	—
Net loss, noncapital assets	2,560	2,143	2,243	200	117	1,016	432	586	—	—
Other deductions	961,862	673,145	367,717	305,428	288,717	3,672,856	874,057	2,797,326	186,874	34,777
Net income	1,280,499	972,883	183,689	789,195	307,616	3,238,481	839,618	2,398,115	208,625	55,889

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Wholesale and retail trade—Continued									
	Retail trade—Continued									
	Food stores			Automotive dealers and service stations				Apparel and accessory stores	Furniture and home furnishings stores	Eating places
	Total	Grocery stores	Other food stores	Total	Motor vehicle dealers	Gasoline service stations	Other automotive dealers			
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
Partnerships With and Without Net Income										
Number of partnerships	**23,657**	**11,674**	**11,982**	**14,090**	**3,982**	**6,088**	**4,038**	**12,398**	**10,056**	**31,836**
Number of partners	**51,787**	**25,461**	**26,327**	**33,182**	**8,964**	**13,525**	**10,667**	**29,319**	**21,925**	**98,894**
Total assets	**1,387,041**	**903,871**	**483,170**	**2,452,932**	**857,992**	**967,945**	**606,992**	**907,707**	**794,871**	**2,707,838**
Total receipts	**8,874,040**	**6,163,778**	**2,710,265**	**11,587,706**	**3,280,085**	**6,483,107**	**1,826,514**	**1,765,784**	**2,148,448**	**8,383,081**
Business receipts	8,802,217	6,101,169	2,701,049	11,451,086	3,227,087	6,418,584	1,805,415	1,739,302	2,096,662	8,297,935
Income from other partnerships and fiduciaries	140	103	36	42,082	35,594	5,588	900	330	265	300
Nonqualifying interest and dividends	11,810	8,136	3,674	24,819	5,717	12,378	6,722	4,845	12,424	18,294
Rents received	12,271	11,838	433	8,572	1,816	3,937	2,819	250	5,869	16,894
Royalties	1,222	4	1,217	—	—	—	—	—	—	241
Farm net profit	8	8	—	16	—	16	—	—	—	—
Net gain, noncapital assets	3,166	3,094	72	4,300	622	1,849	1,829	10,932	375	16,596
Other receipts	43,206	39,423	3,783	56,831	27,248	20,754	8,829	10,124	30,845	32,828
Total deductions	**8,690,016**	**6,020,616**	**2,579,394**	**11,336,189**	**3,196,159**	**6,384,133**	**1,771,867**	**1,758,419**	**1,994,867**	**8,202,189**
Cost of sales and operations	6,964,358	5,004,176	1,960,183	9,723,441	2,806,631	5,723,188	1,193,622	1,098,751	1,416,801	3,844,633
Inventory, beginning of year	451,884	355,938	95,945	949,063	316,185	329,173	303,706	367,310	285,606	122,031
Purchases	6,663,729	4,850,361	1,813,367	9,392,155	2,733,454	5,470,230	1,188,471	1,109,520	1,473,726	3,216,120
Cost of labor	98,691	31,935	66,756	111,445	44,763	39,154	27,529	44	29,054	390,617
Other costs	289,882	143,936	125,945	226,859	102,693	98,698	25,268	19,517	33,246	251,551
Less: Inventory, end of year	519,831	377,996	141,831	955,879	380,456	214,068	351,352	457,642	404,811	135,699
Salaries and wages	519,589	387,032	152,557	433,709	110,262	167,123	156,324	173,104	130,059	1,352,981
Less: Jobs credit	2,229	2,185	45	665	131	21	513	—	103	1,353
Guaranteed payments to partners	38,798	26,383	12,415	132,512	25,372	50,037	57,103	32,614	25,038	92,536
Rent paid	144,522	69,479	75,042	135,327	20,046	76,068	39,193	132,666	78,095	559,021
Interest paid	54,836	37,757	16,878	108,165	34,892	39,451	33,822	17,184	22,505	168,247
Taxes paid	103,586	63,421	40,165	93,558	20,721	52,897	19,940	38,195	30,237	271,067
Bad debts	9,586	8,286	1,301	9,856	3,042	4,262	2,552	944	3,887	1,365
Repairs	33,412	22,411	11,001	35,943	13,081	14,520	8,343	9,239	6,729	104,429
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	202	169	33	690	44	646	—	—	—	—
Pension, profit sharing, annuity and bond purchase plans	6,857	6,673	184	1,118	496	209	413	320	365	1,072
Employee benefit programs	8,930	7,691	1,239	12,880	5,228	2,899	4,752	1,376	893	9,403
Net loss from other partnerships and fiduciaries	203	203	—	800	109	33	659	603	386	1,102
Rent net loss	567	220	347	26,902	85	3,032	23,787	726	622	1,512
Royalty net loss	—	—	—	—	—	—	—	—	—	—
Farm net loss	918	918	—	714	56	145	513	—	—	378
Net loss, noncapital assets	1,862	1,852	10	348	156	42	148	—	22	15,675
Other deductions	805,344	342,292	263,052	518,295	125,110	202,481	190,694	222,828	254,748	1,467,537
Net income (less deficit)	**274,038**	**143,158**	**130,871**	**251,547**	**117,925**	**78,974**	**54,647**	**7,365**	**151,633**	**180,893**
Net income	373,226	193,019	180,206	382,947	137,596	136,764	108,587	79,820	189,110	547,523
Deficit	99,195	49,860	49,335	131,400	19,671	57,790	53,940	72,455	37,476	366,630
Partnerships With Net Income										
Number of partnerships	**16,213**	**7,930**	**8,282**	**9,753**	**2,643**	**4,212**	**2,938**	**7,348**	**5,593**	**15,308**
Number of partners	**35,385**	**17,344**	**18,045**	**23,391**	**6,217**	**9,325**	**7,848**	**15,183**	**11,813**	**43,904**
Total assets	**980,445**	**683,103**	**277,341**	**1,519,639**	**578,126**	**488,670**	**452,843**	**572,282**	**695,253**	**1,480,725**
Total receipts	**7,168,536**	**5,088,218**	**2,080,318**	**8,424,323**	**2,901,946**	**3,947,188**	**1,575,189**	**1,346,071**	**1,890,839**	**5,152,354**
Business receipts	7,102,486	5,030,006	2,072,482	8,309,756	2,835,001	3,916,399	1,558,356	1,325,387	1,835,295	5,083,982
Income from other partnerships and fiduciaries	140	103	36	42,082	35,594	5,588	900	330	265	300
Nonqualifying interest and dividends	11,128	7,866	3,260	22,713	5,125	10,947	6,641	4,124	12,317	13,224
Rents received	11,251	10,818	433	7,054	1,726	3,015	2,312	250	3,306	14,506
Royalties	1,217	—	1,217	—	—	—	—	—	—	241
Farm net profit	—	—	—	16	—	16	—	—	—	—
Net gain, noncapital assets	3,069	3,013	56	1,382	566	511	306	7,114	320	12,323
Other receipts	39,241	36,412	2,829	41,299	23,933	10,692	6,675	8,867	29,333	27,777
Total deductions	**6,795,310**	**4,895,199**	**1,900,111**	**8,041,358**	**2,784,350**	**3,810,404**	**1,446,603**	**1,298,251**	**1,491,730**	**4,604,831**
Cost of sales and operations	5,573,173	4,100,469	1,472,704	6,895,441	2,451,386	3,401,549	1,042,504	831,642	1,096,592	2,236,623
Inventory, beginning of year	310,931	263,394	47,548	987,671	250,187	209,214	228,269	282,732	234,902	82,955
Purchases	5,271,861	3,951,232	1,320,429	6,707,587	2,373,265	3,281,261	1,053,062	857,516	1,117,415	1,872,791
Cost of labor	84,850	31,186	53,663	74,940	42,453	9,811	22,576	43	24,584	220,846
Other costs	248,241	140,400	107,840	127,572	100,378	14,773	12,421	17,606	25,265	148,063
Less: Inventory, end of year	342,511	285,735	56,776	702,225	314,891	113,510	273,824	326,260	305,574	88,033
Salaries and wages	409,230	304,179	105,051	348,880	99,507	114,520	134,653	136,184	98,737	810,882
Less: Jobs credit	2,165	2,165	—	665	131	21	513	—	103	1,131
Guaranteed payments to partners	28,310	19,367	8,943	87,095	15,219	25,432	46,444	10,891	23,555	50,267
Rent paid	104,453	58,263	46,190	95,380	17,385	44,408	33,587	76,973	41,091	288,122
Interest paid	28,561	22,427	6,133	64,041	26,090	21,681	16,271	11,021	13,248	55,056
Taxes paid	75,240	49,320	25,921	71,468	18,709	36,649	16,110	28,648	25,172	159,376
Bad debts	5,325	5,104	221	7,242	2,178	3,184	1,879	718	3,056	492
Repairs	21,351	15,132	6,219	25,923	12,521	9,929	3,473	6,924	4,491	57,135
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	33	—	33	646	—	646	—	—	—	—
Pension, profit sharing, annuity and bond purchase plans	1,246	1,174	72	1,077	496	168	413	320	365	1,046
Employee benefit programs	6,116	5,017	1,102	9,584	4,897	933	3,955	1,264	414	5,428
Net loss from other partnerships and fiduciaries	2	2	—	146	109	33	5	—	386	1,102
Rent net loss	523	176	347	750	70	600	80	224	622	329
Royalty net loss	—	—	—	—	—	—	—	—	—	—
Farm net loss	851	851	—	569	56	—	513	—	—	376
Net loss, noncapital assets	51	51	—	207	156	42	9	—	22	110
Other deductions	473,396	289,991	203,404	374,177	102,694	118,704	152,780	138,389	166,015	808,021
Net income	**373,226**	**193,019**	**180,206**	**382,947**	**137,596**	**136,764**	**108,587**	**79,820**	**189,110**	**547,523**

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Wholesale and retail trade—Continued				Finance, insurance, and real estate					
	Retail trade—Continued			Wholesale and retail trade not allocable	Total	Finance				Insurance agents, brokers, and service
	Drinking places	Liquor stores	Other retail stores			Total	Banking, and credit agencies other than banks	Security and commodity brokers and service	Holding and investment companies	
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Partnerships With and Without Net Income										
Number of partnerships	3,691	3,187	52,188	8	790,902	144,175	3,708	5,906	134,563	9,806
Number of partners	7,631	7,176	117,518	24	7,408,313	2,183,044	252,898	98,388	1,811,777	114,877
Total assets	190,629	394,940	2,367,994	12,111	770,457,317	168,934,031	17,281,211	54,851,976	96,800,843	3,098,157
Total receipts	287,313	1,539,108	6,823,948	33,098	94,362,434	37,526,636	1,638,650	26,830,663	9,057,323	3,117,331
Business receipts	278,895	1,515,271	6,666,751	32,518	54,902,201	26,170,236	732,280	22,699,407	2,738,548	2,720,885
Income from other partnerships and fiduciaries	126	—	566	—	2,504,153	1,374,825	2,427	108,955	1,263,443	30
Nonqualifying interest and dividends	35	881	13,286	63	13,980,659	7,201,836	477,581	2,722,757	4,001,498	102,522
Rents received	983	2,846	10,459	400	16,350,442	357,182	17,537	781	338,864	28,780
Royalties	—	10	9	—	287,700	227,090	—	55,476	171,614	2,002
Farm net profit	—	—	50	—	61,459	3,641	—	59	3,582	—
Net gain, noncapital assets	4,785	1,343	8,009	40	1,536,076	83,942	1,008	1,470	81,463	845
Other receipts	4,589	18,754	124,824	76	4,739,745	2,107,86-	407,816	1,241,757	458,311	262,467
Total deductions	288,312	1,490,154	6,804,838	32,644	113,606,153	36,166,708	1,081,350	26,921,844	8,183,706	2,516,980
Cost of sales and operations	144,543	1,211,429	4,530,295	28,523	38,507,475	22,016,952	600,043	20,284,623	1,132,286	403,175
Inventory, beginning of year	4,318	188,827	1,028,159	4,059	14,841,115	5,592,431	17,187	5,216,346	358,897	749
Purchases	117,184	1,209,177	4,047,070	28,647	18,879,619	12,953,175	112,273	12,536,183	304,718	121,690
Cost of labor	21,672	22	57,124	—	365,579	173,432	—	110,828	62,603	5,484
Other costs	6,358	2,861	558,710	60	15,585,327	4,371,730	487,246	3,121,013	763,471	276,870
Less: Inventory, end of year	4,996	189,458	1,160,767	4,244	11,164,164	1,073,816	16,864	699,746	357,404	1,598
Salaries and wages	22,147	88,369	500,620	1,584	2,591,200	1,157,727	74,676	888,751	194,300	216,244
Less: Jobs credit	4	—	687	—	1,099	195	17	153	25	162
Guaranteed payments to partners	5,225	7,828	141,074	73	1,392,157	419,345	13,397	236,070	169,878	78,559
Rent paid	15,660	21,065	251,445	64	735,671	198,099	11,722	148,237	38,140	33,314
Interest paid	10,874	18,621	96,821	37	15,487,063	5,097,467	212,081	3,273,752	1,611,634	34,875
Taxes paid	15,110	26,078	112,358	194	1,850,838	286,617	5,908	77,463	203,246	33,619
Bad debts	40	1,868	15,022	43	194,731	80,009	6,929	13,935	59,145	39,127
Repairs	5,390	6,213	33,895	155	470,394	33,994	1,105	7,378	25,511	3,250
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	470	—	1,918	484	—	166	299	—
Pension, profit sharing, annuity and bond purchase plans	—	—	4,850	—	45,035	28,232	2,802	24,558	1,072	6,318
Employee benefit programs	173	130	6,847	53	71,725	33,629	2,706	22,570	8,353	5,091
Net loss from other partnerships and fiduciaries	—	—	21	—	8,338,169	2,017,922	8,446	260,257	1,749,218	5,353
Rent net loss	1,513	—	2,557	294	25,078,973	376,664	2,328	—	374,335	12,597
Royalty net loss	—	—	—	—	2,303	1,104	—	—	1,104	—
Farm net loss	—	—	132	—	113,202	38,824	409	—	38,415	758
Net loss, noncapital assets	838	6	194	—	210,009	58,923	—	42,577	16,345	65
Other deductions	47,587	81,816	771,405	1,273	13,366,407	3,732,363	106,072	1,610,605	2,013,686	1,620,910
Net income (less deficit)	- 998	48,953	219,111	454	- 19,243,718	1,359,929	577,292	- 90,981	873,618	600,341
Net income	15,200	64,861	481,114	748	25,646,379	6,413,803	650,711	1,184,823	4,578,269	684,586
Deficit	16,198	15,709	262,004	294	44,890,098	5,053,874	73,419	1,275,804	3,704,651	84,245
Partnerships With Net Income										
Number of partnerships	3,161	2,183	19,047	7	349,777	81,296	2,472	1,933	76,891	5,959
Number of partners	6,413	4,919	44,108	19	3,599,939	1,568,510	246,665	36,572	1,285,274	44,239
Total assets	36,365	297,404	1,545,396	11,484	299,890,708	103,179,987	15,711,361	29,513,944	56,954,683	2,583,195
Total receipts	181,818	1,201,999	5,290,469	33,098	70,234,425	30,715,022	1,445,018	22,508,438	6,761,568	2,842,975
Business receipts	173,533	1,178,383	5,100,668	32,518	39,247,900	21,228,618	587,185	19,058,216	1,583,237	2,500,237
Income from other partnerships and fiduciaries	—	—	556	—	2,339,883	1,281,212	1,205	99,..15	1,180,192	30
Nonqualifying interest and dividends	30	881	11,614	63	10,837,383	6,006,112	451,443	2,259,311	3,295,358	92,647
Rents received	790	2,846	9,267	400	13,192,554	267,902	13,933	549	253,420	28,656
Royalties	—	10	9	—	209,745	152,868	—	345	152,543	1,813
Farm net profit	—	—	50	—	55,927	142	—	59	83	—
Net gain, noncapital assets	4,785	1,343	6,390	40	1,080,088	43,789	55	1,470	42,265	497
Other receipts	2,681	18,497	121,915	76	3,470,945	1,734,358	391,215	1,088,672	254,470	219,097
Total deductions	106,818	1,137,209	4,789,365	32,350	44,588,046	24,301,219	794,306	21,323,615	2,183,295	2,158,399
Cost of sales and operations	85,335	947,822	3,345,196	28,523	27,895,951	18,056,840	446,599	17,098,180	512,062	320,456
Inventory, beginning of year	2,221	112,920	670,320	4,059	9,716,781	5,300,951	17,187	5,158,147	125,617	749
Purchases	72,206	940,249	3,067,842	28,647	15,197,194	11,828,635	112,273	11,588,856	127,503	121,690
Cost of labor	12,065	22	27,629	—	161,513	61,964	—	53,708	8,256	5,484
Other costs	1,858	2,861	346,326	60	7,762,346	1,595,087	333,802	928,271	333,015	194,151
Less: Inventory, end of year	2,834	108,230	786,718	4,244	4,941,863	729,797	16,684	630,805	82,329	1,598
Salaries and wages	14,416	67,360	419,134	1,584	1,542,676	830,261	60,727	702,752	66,782	196,313
Less: Jobs credit	4	—	687	—	447	169	17	151	—	182
Guaranteed payments to partners	1,872	3,954	101,054	73	542,643	219,584	4,326	166,882	48,376	71,396
Rent paid	10,048	11,128	119,706	64	413,848	145,346	7,750	124,847	12,749	30,555
Interest paid	4,169	10,395	52,136	37	5,497,567	3,145,298	193,385	2,350,377	601,557	27,198
Taxes paid	11,037	16,757	71,937	194	722,186	145,067	4,244	57,354	83,470	29,937
Bad debts	3	542	11,783	43	43,104	23,366	3,577	4,306	15,485	2,800
Repairs	3,165	5,248	23,207	155	157,774	13,639	903	6,163	6,574	3,065
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	470	—	1,183	439	—	166	273	—
Pension, profit sharing, annuity and bond purchase plans	—	—	4,488	—	37,050	23,993	1,069	22,246	677	6,312
Employee benefit programs	—	130	6,442	53	42,652	23,445	2,600	19,656	1,189	4,623
Net loss from other partnerships and fiduciaries	—	—	—	—	230,949	65,079	10	17,673	47,397	5,351
Rent net loss	1,513	—	144	—	684,637	31,604	85	—	31,518	1,786
Royalty net loss	—	—	—	—	15	—	—	—	—	—
Farm net loss	—	—	132	—	33,644	4,735	—	—	4,735	—
Net loss, noncapital assets	—	6	191	—	32,770	1,287	—	391	896	65
Other deductions	28,897	55,838	530,944	1,273	5,318,845	1,297,635	62,309	731,553	503,774	1,438,214
Net income	15,200	64,861	481,114	748	25,646,379	6,413,803	650,711	1,184,823	4,578,269	684,586

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Finance, insurance, and real estate—Continued					Services			
	Real estate						Hotels and other lodging places		Personal services
	Total	Operators and lessors of buildings	Lessors, other than buildings	Real estate agents, brokers, and managers	Other real estate	Total	Total	Motels, motor hotels, and tourist courts	Other lodging places	Total
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)
Partnerships With and Without Net Income										
Number of partnerships	636,920	536,216	32,588	18,049	50,066	331,103	18,917	9,995	8,922	33,283
Number of partners	5,131,182	4,510,523	214,981	138,403	267,585	1,577,704	241,166	156,599	84,567	79,816
Total assets	508,425,129	506,026,992	12,948,715	9,015,244	68,434,478	57,964,078	33,129,585	9,283,537	23,846,058	987,678
Total receipts	53,718,486	31,980,273	965,299	2,832,988	18,270,057	97,822,373	15,188,701	4,235,666	10,953,096	2,300,986
Business receipts	26,011,081	8,010,782	227,656	2,123,896	15,648,747	90,243,640	14,019,645	3,957,396	10,062,251	2,245,831
Income from other partnerships and fiduciaries	1,129,296	869,816	44,591	11,869	183,020	283,394	27,729	2,952	24,777	97
Nonqualifying interest and dividends	6,676,302	5,382,524	96,164	214,697	982,916	1,092,815	220,101	91,066	129,034	8,606
Rents received	15,984,479	15,071,824	478,195	142,446	272,014	2,103,200	478,651	88,243	390,408	3,948
Royalties	58,606	30,296	25,832	178	2,301	117,051	163	157	6	—
Farm net profit	57,816	12,661	42,857	343	1,956	8,525	29	29	—	—
Net gain, noncapital assets	1,451,486	1,195,127	22,747	15,162	218,452	615,022	103,513	25,622	77,891	2,280
Other receipts	2,369,394	1,267,241	27,227	114,277	960,649	3,358,926	338,868	70,140	268,729	40,426
Total deductions	74,922,458	50,746,110	1,470,940	2,844,617	19,861,098	82,239,117	17,296,506	4,507,460	12,791,046	2,096,886
Cost of sales and operations	16,087,348	3,401,992	84,462	581,840	12,019,054	16,816,253	5,510,319	717,931	4,792,388	446,966
Inventory, beginning of year	9,247,935	1,266,691	80,395	225,930	7,672,919	814,268	121,477	18,006	103,472	21,247
Purchases	5,804,755	984,057	46,557	403,991	4,370,150	5,287,303	1,089,766	305,799	783,967	237,210
Cost of labor	186,684	66,069	57	19,187	101,371	2,289,097	639,040	192,253	446,787	86,986
Other costs	10,936,726	2,017,453	70,990	203,034	8,645,249	9,263,062	3,777,536	222,885	3,554,651	119,369
Less: Inventory, end of year	10,083,751	934,276	113,536	270,303	8,770,633	835,492	117,500	21,012	96,489	19,847
Salaries and wages	1,217,229	696,918	28,911	209,012	282,389	18,321,018	1,861,796	609,643	1,252,153	388,159
Less: Jobs credit	742	409	1	76	255	13,144	2,669	533	2,156	1
Guaranteed payments to partners	894,253	611,115	5,368	140,573	137,197	2,906,483	90,669	33,336	57,332	103,513
Rent paid	504,256	373,254	5,291	61,603	64,110	4,332,236	246,136	78,640	167,496	158,315
Interest paid	10,354,241	7,050,216	179,002	324,876	2,800,848	4,817,213	2,463,792	744,949	1,718,843	47,501
Taxes paid	1,539,602	1,120,793	30,535	65,114	323,161	2,583,201	636,313	201,536	434,775	54,629
Bad debts	75,596	50,791	117	1,856	22,833	216,556	33,312	8,013	25,299	3,775
Repairs	433,150	322,597	34,746	36,362	39,445	873,290	314,750	129,642	186,108	35,286
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	1,454	977	174	—	303	9,838	2,431	—	2,431	—
Pension, profit sharing, annuity and bond purchase plans	10,486	5,062	2,210	1,409	1,803	376,184	6,623	1,105	5,518	470
Employee benefit programs	33,005	23,138	2,022	1,154	6,690	566,969	113,012	14,920	98,092	3,515
Net loss from other partnerships and fiduciaries	6,314,915	5,280,228	85,018	327,769	621,902	529,567	115,295	3,981	111,314	848
Rent net loss	24,649,711	22,855,648	702,265	134,480	957,319	1,115,797	205,111	43,214	161,897	6,142
Royalty net loss	1,199	1,199	—	—	—	5,826	—	—	—	—
Farm net loss	73,619	56,879	16,610	—	130	9,475	—	—	—	1,246
Net loss, noncapital assets	151,021	65,446	65	2,778	82,730	54,705	8,477	2,049	6,428	94
Other deductions	8,013,134	4,845,300	134,455	802,139	2,231,241	21,978,091	3,870,211	1,305,282	2,564,929	684,074
Net income (loss deficit)	-21,203,968	-18,965,837	-505,372	-221,749	-1,591,031	15,583,256	-2,108,805	-271,855	-1,837,950	214,290
Net income	18,547,990	14,696,416	562,541	432,887	2,856,146	24,800,274	817,886	339,449	478,437	358,422
Deficit	39,751,979	33,562,253	1,067,913	654,636	4,447,177	9,217,019	2,927,692	611,305	2,316,387	144,133
Partnerships With Net Income										
Number of partnerships	361,522	221,716	14,912	5,903	19,091	204,282	8,831	4,925	3,906	23,513
Number of partners	1,997,189	1,758,213	103,984	31,796	93,194	843,410	99,558	76,853	22,706	57,124
Total assets	193,927,526	166,291,617	4,096,440	3,511,559	20,037,910	34,749,015	7,012,517	2,777,579	4,234,938	458,489
Total receipts	26,878,428	22,290,482	696,460	1,554,299	12,133,207	77,349,848	6,529,210	2,009,781	4,519,529	1,574,908
Business receipts	15,519,044	3,904,302	105,457	1,262,617	10,226,466	71,851,828	5,827,335	1,845,848	3,981,487	1,566,780
Income from other partnerships and fiduciaries	1,058,641	836,566	44,591	9,386	168,096	272,180	26,129	2,766	23,363	97
Nonqualifying interest and dividends	4,538,624	3,679,380	69,178	108,902	681,184	786,566	124,556	59,417	65,139	4,384
Rents received	12,895,996	12,286,782	393,417	68,255	145,542	1,805,716	313,342	60,726	252,614	1,327
Royalties	55,046	26,299	25,300	43	1,403	60,097	157	157	—	—
Farm net profit	55,784	10,626	42,857	343	1,957	8,525	29	29	—	—
Net gain, noncapital assets	1,035,802	843,525	8,269	13,771	170,237	523,476	61,381	19,029	42,352	817
Other receipts	1,517,490	698,997	9,392	70,782	738,316	2,421,262	178,380	21,805	154,575	1,196
Total deductions	18,128,438	7,594,046	135,919	1,121,412	9,277,061	52,549,374	5,711,423	1,670,331	4,041,092	1,218,183
Cost of sales and operations	9,518,654	1,795,016	16,823	362,976	7,341,839	10,285,719	2,442,921	259,322	2,183,599	323,602
Inventory, beginning of year	4,415,060	633,907	57,457	163,023	3,560,673	519,098	49,028	7,358	41,671	12,591
Purchases	3,246,870	613,811	21,752	181,843	2,429,463	3,440,430	370,562	121,831	248,731	203,266
Cost of labor	94,085	5,129	—	17,363	71,592	1,443,188	174,589	67,276	107,410	64,169
Other costs	5,973,108	951,280	-5,573	137,244	4,890,157	5,372,739	1,889,798	70,408	1,819,390	57,347
Less: Inventory, end of year	4,210,468	409,111	54,812	136,496	3,610,047	489,748	41,156	7,553	33,603	13,786
Salaries and wages	516,103	272,070	22,673	116,608	104,753	14,879,595	629,225	261,616	367,610	153,438
Less: Jobs credit	116	31	1	76	8	10,991	740	265	475	—
Guaranteed payments to partners	251,864	158,029	2,786	45,959	44,889	1,955,958	39,402	15,321	24,081	54,176
Rent paid	237,947	183,486	3,877	34,596	15,988	3,478,299	88,101	44,265	43,836	85,423
Interest paid	2,325,070	1,523,363	29,349	62,229	690,131	1,376,474	373,254	176,815	196,440	18,685
Taxes paid	547,182	414,008	8,197	30,649	94,327	1,849,891	246,516	90,326	156,192	31,819
Bad debts	16,936	13,266	17	589	3,065	142,964	8,171	2,712	5,460	1,981
Repairs	141,070	107,589	1,927	16,891	14,663	519,478	133,435	65,715	67,720	23,872
Depreciation	*	*	*	*	*	*	*	*	*	*
Depletion	744	330	174	—	240	937	—	—	—	—
Pension, profit sharing, annuity and bond purchase plans	6,746	2,308	2,210	1,088	1,140	360,336	4,139	580	3,559	448
Employee benefit programs	14,584	9,081	1,579	444	3,481	423,036	29,957	7,664	22,293	2,370
Net loss from other partnerships and fiduciaries	160,519	125,109	107	3,725	31,578	63,565	1,380	510	870	291
Rent net loss	651,266	593,587	1,517	11,707	44,456	31,502	5,463	847	4,617	664
Royalty net loss	15	15	—	—	—	1	—	—	—	—
Farm net loss	28,909	28,729	180	—	—	2,053	—	—	—	1,246
Net loss, noncapital assets	31,416	18,931	44	621	11,822	24,299	239	233	5	2
Other deductions	2,582,997	1,375,964	18,342	370,554	818,136	14,673,397	1,357,094	557,084	800,010	433,731
Net income	18,547,990	14,696,416	562,541	432,887	2,856,146	24,800,274	817,886	339,449	478,437	356,422

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Services—Continued										
	Personal services—Continued				Business services	Automobile repair and services					
							Automobile repair shops			Automobile parking and other services	Miscellaneous repair services
	Laundries, dry cleaning and garment services	Beauty shops	Barber shops	Other personal services		Total	Total	General automotive repair shops	Other automobile repair		
	(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	(81)
Partnerships With and Without Net Income											
Number of partnerships	6,940	10,200	3,528	12,614	80,189	35,396	25,707	14,738	10,969	9,690	11,300
Number of partners	15,170	23,702	9,086	31,858	451,534	76,991	55,462	32,581	22,881	21,529	25,155
Total assets	227,191	85,696	10,854	543,937	21,454,480	1,851,550	822,042	426,517	395,525	1,029,508	345,559
Total receipts	658,199	338,901	306,775	997,113	9,956,057	3,913,505	2,755,762	1,406,842	1,348,920	1,157,744	1,058,121
Business receipts	654,959	324,151	306,775	959,746	7,278,916	3,808,690	2,741,347	1,401,088	1,340,261	1,067,343	1,026,279
Income from other partnerships and fiduciaries	—	—	—	97	83,765	323	—	—	—	323	—
Nonqualifying interest and dividends	1,065	501	—	7,040	325,162	11,600	6,897	2,894	4,004	4,703	231
Rents received	1,067	2,496	—	385	1,313,933	46,814	1,614	1,505	108	45,200	29,723
Royalties	—	—	—	—	16,449	21	—	—	—	21	—
Farm net profit	—	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets	711	902	—	667	258,563	26,556	3,824	—	3,824	22,732	6
Other receipts	397	10,851	—	29,178	679,269	19,501	2,079	1,357	723	17,422	1,882
Total deductions	605,520	344,424	275,033	861,722	9,659,306	3,563,429	2,438,502	1,256,164	1,180,338	1,124,923	911,342
Cost of sales and operations	80,658	58,822	37,413	270,075	2,245,430	1,962,105	1,481,284	796,872	682,411	480,822	547,993
Inventory, beginning of year	181	2,535	—	18,532	92,790	249,804	209,587	27,728	181,859	40,217	93,066
Purchases	2,126	14,489	536	220,060	905,918	1,436,811	1,114,965	676,841	438,124	321,846	424,411
Cost of labor	11,661	28,291	35,259	13,775	304,926	203,605	165,410	66,995	98,416	38,394	56,993
Other costs	67,561	15,668	1,619	34,320	1,067,376	268,620	148,120	58,401	87,719	122,499	79,254
Less: Inventory, end of year	872	2,362	—	16,612	125,583	196,955	154,821	31,094	123,727	42,134	105,723
Salaries and wages	119,908	57,442	104,670	106,139	800,752	310,845	220,415	81,206	139,209	90,430	47,852
Less: Jobs credit	1	—	—	—	4,381	2,306	2,306	—	—	—	—
Guaranteed payments to partners	15,183	48,396	—	39,934	213,954	119,770	80,613	36,715	43,898	39,157	25,025
Rent paid	49,437	46,357	15,682	45,640	495,219	174,382	122,309	79,716	42,593	52,073	23,451
Interest paid	16,841	12,884	—	17,777	869,171	119,028	36,478	17,093	19,385	82,550	19,690
Taxes paid	17,054	13,723	3,756	20,096	135,198	75,057	48,354	20,571	27,783	26,703	14,431
Bad debts	123	40	—	3,612	71,396	7,727	6,048	4,218	1,830	1,679	1,411
Repairs	18,669	3,920	—	12,706	148,116	28,829	13,356	8,094	5,262	15,474	4,067
Depreciation	*	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	—	—	2,464	—	—	—	—	—	—
Pension, profit sharing, annuity and bond purchase plans	—	—	—	470	14,180	76	—	—	—	76	77
Employee benefit programs	1,471	—	—	2,044	12,359	6,729	4,857	2,068	2,789	1,872	232
Net loss from other partnerships and fiduciaries	466	91	—	291	109,447	430	—	—	—	430	—
Rent net loss	—	—	—	6,142	814,906	31,913	172	172	—	31,741	—
Royalty net loss	—	—	—	—	5,826	—	—	—	—	—	—
Farm net loss	—	—	—	1,246	805	573	24	24	—	549	—
Net loss, noncapital assets	—	93	—	2	30,260	3,143	2,677	5	2,671	467	10
Other deductions	230,836	81,338	108,080	263,820	2,095,333	519,124	360,508	174,774	185,731	158,619	167,395
Net income (loss deficit)	52,679	-5,523	31,743	135,391	296,751	350,080	317,260	148,678	168,581	32,820	148,779
Net income	66,653	39,265	38,082	214,422	2,581,576	488,026	363,021	167,365	195,656	125,005	177,111
Deficit	13,974	44,788	6,339	79,031	2,284,825	137,946	45,761	18,687	27,075	92,185	30,332
Partnerships With Net Income											
Number of partnerships	6,379	4,019	2,514	10,600	45,159	24,117	18,625	10,899	7,725	5,492	9,155
Number of partners	13,881	9,130	7,057	27,057	234,183	52,687	40,573	24,904	15,670	12,114	18,318
Total assets	134,660	18,625	10,854	294,350	8,948,134	1,124,741	610,666	383,395	227,271	514,076	159,652
Total receipts	520,344	96,696	117,288	840,277	7,391,276	2,774,231	1,954,427	815,131	1,139,296	819,804	1,000,486
Business receipts	517,493	96,567	117,288	835,432	5,394,676	2,713,494	1,942,178	810,584	1,131,593	771,316	968,867
Income from other partnerships and fiduciaries	—	—	—	97	82,894	323	—	—	—	323	—
Nonqualifying interest and dividends	873	63	—	3,448	217,640	9,343	6,224	2,894	3,330	3,120	219
Rents received	1,067	—	—	261	1,039,652	33,809	1,612	1,504	108	32,197	29,719
Royalties	—	—	—	—	14,122	—	—	—	—	—	—
Farm net profit	—	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets	707	27	—	63	242,777	14,197	3,700	—	3,700	10,497	6
Other receipts	204	40	—	955	399,516	3,065	715	150	565	2,350	1,675
Total deductions	453,691	57,431	79,207	625,854	4,809,700	2,286,204	1,591,408	647,766	943,640	694,798	823,375
Cost of sales and operations	41,773	12,860	37,413	231,556	1,482,120	1,317,856	892,479	371,610	520,869	425,377	517,728
Inventory, beginning of year	181	83	—	12,327	76,255	196,952	181,064	20,720	160,345	15,871	81,956
Purchases	1,759	9,842	536	191,151	675,627	915,666	626,198	305,277	320,920	289,468	400,941
Cost of labor	11,661	3,470	35,259	13,775	256,109	150,999	112,664	31,972	80,692	38,335	55,917
Other costs	28,523	—	1,619	27,205	563,488	189,296	88,986	32,720	56,266	100,310	69,376
Less: Inventory, end of year	351	535	—	12,903	89,360	135,081	116,454	19,080	97,374	18,027	90,455
Salaries and wages	90,302	3,301	—	59,835	600,277	225,478	173,335	44,094	129,241	52,143	48,432
Less: Jobs credit	—	—	—	—	4,380	2,306	2,306	2,306	—	—	—
Guaranteed payments to partners	14,946	—	—	39,229	79,296	51,484	40,029	5,178	34,853	11,455	24,900
Rent paid	43,182	11,617	15,882	14,743	277,995	120,975	92,028	56,654	35,374	28,947	18,099
Interest paid	10,292	311	—	8,080	261,696	44,189	19,145	9,446	9,699	25,044	12,806
Taxes paid	14,828	1,121	3,756	12,114	99,896	58,077	39,513	15,253	24,259	18,564	14,044
Bad debts	103	—	—	1,878	62,298	2,726	2,494	1,002	1,492	232	1,205
Repairs	13,583	328	—	9,961	65,389	19,446	10,003	5,741	4,262	9,443	3,859
Depreciation	*	*	*	*	*	*	*	*	*	*	*
Depletion	—	—	—	—	410	—	—	—	—	—	—
Pension, profit sharing, annuity and bond purchase plans	—	—	—	449	12,656	76	—	—	—	76	77
Employee benefit programs	1,410	—	—	969	9,245	5,417	4,857	2,068	2,789	560	16
Net loss from other partnerships and fiduciaries	—	—	—	291	8,520	—	—	—	—	—	—
Rent net loss	—	—	—	664	12,707	—	—	—	—	—	—
Royalty net loss	—	—	—	—	1	—	—	—	—	—	—
Farm net loss	—	—	—	1,246	769	24	24	24	—	—	—
Net loss, noncapital assets	—	—	—	2	17,512	103	41	5	36	62	—
Other deductions	186,799	24,634	18,310	203,987	1,302,353	355,578	274,591	113,058	161,533	80,987	147,602
Net income	66,653	39,265	38,082	214,422	2,581,576	488,026	363,021	167,365	195,656	125,005	177,111

Table 1—Total Assets and Income Statement for Selected Industries—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Services—Continued										Nature of business not allocable
	Amusement and recreation services, including motion pictures	Medical and health services			Legal services	Engineering and architectural services	Accounting, auditing, and bookkeeping services			Other services	
		Total	Offices of physicians	Other medical and health services			Total	Certified public accountants	Other accounting, auditing, and bookkeeping services		
	(82)	(83)	(84)	(85)	(86)	(87)	(88)	(89)	(90)	(91)	(92)
Partnerships With and Without Net Income											
Number of partnerships	31,832	30,160	10,062	20,098	25,152	6,704	14,253	8,233	6,020	43,916	26,
Number of partners	193,392	130,874	37,340	93,534	121,066	18,166	55,293	39,318	15,974	184,250	86,
Total assets	10,293,588	5,991,946	988,987	5,002,959	5,218,789	799,987	2,501,783	2,218,028	283,755	5,529,823	17,564,
Total receipts	8,316,328	14,846,090	7,117,554	7,528,536	24,265,190	3,271,429	10,481,371	9,830,956	650,415	4,424,592	24,968,
Business receipts	7,209,284	13,596,013	6,289,003	7,309,010	23,519,781	3,222,065	10,383,136	9,743,642	639,494	3,932,201	24,080,
Income from other partnerships and fiduciaries	90,590	3,839	2,300	1,539	6,902	4,264	7,933	7,633	—	58,252	
Nonqualifying interest and dividends	81,870	78,514	19,170	59,344	81,346	26,828	58,835	48,262	8,573	201,521	87,
Rents received	73,842	53,277	5,471	47,806	58,016	446	1,259	1,224	35	43,291	9,
Royalties	46,670	22	—	22	315	5	2,496	2,496	—	50,910	12,
Farm net profit	77	—	—	—	—	—	—	—	—	8,418	
Net gain, noncapital assets	192,140	13,281	540	12,741	4,646	1,039	541	92	448	12,455	1,
Other receipts	621,855	899,144	801,070	98,074	594,183	16,782	29,472	27,606	1,864	117,545	777,
Total deductions	9,149,886	10,006,107	3,922,768	6,083,339	14,299,061	2,933,566	8,172,191	7,626,224	545,967	4,199,028	24,880,
Cost of sales and operations	2,139,205	1,042,148	53,703	988,446	236,101	975,248	155,187	141,963	13,324	1,557,551	22,972,
Inventory, beginning of year	102,703	34,942	727	34,215	882	7,524	899	202	696	88,934	14,480,
Purchases	442,489	240,624	16,053	224,572	16,761	19,443	23,847	19,392	4,455	450,024	585,
Cost of labor	149,905	227,607	4,534	221,074	10,602	205,105	76,422	67,421	9,002	327,705	47,
Other costs	1,559,730	575,378	33,099	542,279	208,590	752,852	56,726	56,726	—	797,830	22,791,
Less: Inventory, end of year	115,622	34,400	706	33,694	734	9,476	2,707	1,877	830	106,944	14,913,
Salaries and wages	1,056,259	2,771,735	1,279,894	1,491,841	6,085,190	701,049	3,735,918	3,545,345	190,574	561,461	41,
Less: Jobs credit	176	587	24	563	2,910	7	88	88	—	—	
Guaranteed payments to partners	159,652	416,461	217,905	198,556	638,088	217,438	826,569	741,637	84,932	187,364	1,321,
Rent paid	220,800	622,317	344,105	278,212	1,599,442	115,079	570,234	534,947	35,287	106,860	33,
Interest paid	500,704	312,796	34,946	277,850	184,177	31,802	104,900	98,520	6,380	163,650	66,
Taxes paid	174,138	315,158	106,333	208,825	634,875	75,984	345,293	324,764	20,529	122,125	15,
Bad debts	27,009	22,140	9,027	13,113	17,548	7,388	19,843	19,690	153	5,004	6,
Repairs	74,956	74,706	25,792	48,913	102,068	8,609	48,413	43,326	5,088	33,482	19,
Depreciation	*	*	*	*	*	*	*	*	*	*	
Depletion	2,210	2,206	—	2,206	205	322	—	—	—	—	
Pension, profit sharing, annuity and bond purchase plans	21,374	82,277	66,655	15,621	159,877	18,740	69,398	68,635	762	3,092	
Employee benefit programs	19,667	131,665	84,814	46,852	149,428	23,812	75,676	73,211	2,465	30,893	3,
Net loss from other partnerships and fiduciaries	163,664	12,317	226	12,091	16,061	847	10,160	7,508	2,652	100,518	25,
Rent net loss	11,084	15,385	136	15,249	6,295	5,652	671	671	—	18,647	23,
Royalty net loss	—	—	—	—	—	—	—	—	—	—	
Farm net loss	6,837	—	—	—	—	—	—	—	—	14	1,
Net loss, noncapital assets	11,319	102	12	90	890	152	131	130	—	126	
Other deductions	3,153,722	3,855,606	1,632,306	2,223,300	3,891,032	699,573	1,983,324	1,821,084	162,240	1,058,697	262,
Net income (less deficit)	−833,558	4,839,983	3,194,786	1,445,196	10,006,130	337,863	2,309,180	2,204,732	104,448	225,564	88,
Net income	1,098,605	5,222,888	3,201,877	2,021,011	10,056,899	408,510	2,349,895	2,223,639	126,256	1,240,455	264,
Deficit	1,932,163	582,905	7,091	575,815	50,769	70,648	40,714	18,907	21,806	1,014,891	175,
Partnerships With Net Income											
Number of partnerships	10,130	23,654	9,671	13,983	24,074	3,717	10,815	7,055	3,759	21,119	13,
Number of partners	60,995	86,940	35,211	50,630	112,752	8,970	47,295	36,601	10,698	84,695	48,
Total assets	3,821,220	2,936,711	728,135	2,208,577	5,119,356	420,969	2,216,723	2,071,932	144,791	2,530,502	1,142,
Total receipts	5,239,466	12,890,280	6,841,596	6,048,685	23,750,822	2,895,120	10,108,025	9,550,867	557,158	3,396,047	1,421,
Business receipts	4,589,965	11,896,687	6,018,932	5,877,756	23,039,529	2,868,507	10,012,389	9,464,367	548,022	2,973,596	1,319,
Income from other partnerships and fiduciaries	82,712	3,584	2,300	1,283	6,902	3,763	7,833	7,633	—	58,144	
Nonqualifying interest and dividends	52,361	46,638	18,384	28,254	80,970	12,097	55,258	47,538	7,721	183,100	75,
Rents received	48,352	48,004	5,471	42,532	57,968	396	1,259	1,224	35	31,890	9,
Royalties	24,058	—	—	—	315	5	2,496	2,496	—	38,944	12,
Farm net profit	77	—	—	—	—	—	—	—	—	8,418	
Net gain, noncapital assets	179,941	7,838	539	7,299	4,648	429	514	66	448	10,929	1,
Other receipts	262,001	887,510	795,970	91,540	560,492	9,923	28,476	27,544	932	91,025	3,
Total deductions	4,140,861	7,667,372	3,639,719	4,027,653	13,693,923	2,288,610	7,758,130	7,327,228	430,902	2,155,593	1,167,
Cost of sales and operations	1,224,815	810,518	53,255	757,253	210,007	709,727	133,662	120,339	13,324	1,112,764	892,
Inventory, beginning of year	40,896	20,335	727	19,608	882	5,573	899	202	696	33,747	31,
Purchases	307,607	207,814	16,053	191,761	16,761	12,365	5,611	1,155	4,455	324,168	398,
Cost of labor	96,957	162,693	4,534	158,159	10,602	110,044	71,578	62,576	9,002	289,435	42,
Other costs	830,330	440,036	32,805	407,374	182,495	588,242	56,432	56,432	—	505,898	430,
Less: Inventory, end of year	50,975	20,356	706	19,650	734	6,496	856	26	830	40,485	11,
Salaries and wages	535,272	2,298,592	1,255,139	1,043,454	5,933,183	636,307	3,615,261	3,449,658	165,603	206,129	23,
Less: Jobs credit	3	558	24	533	2,910	7	88	88	—	—	
Guaranteed payments to partners	63,450	275,744	197,038	78,706	488,038	87,733	711,722	669,028	42,694	80,014	3,
Rent paid	107,308	517,281	335,379	181,903	1,553,320	96,651	543,670	515,360	28,310	69,476	18,
Interest paid	158,585	158,045	32,805	125,239	177,376	15,823	90,239	85,511	4,728	65,778	18,
Taxes paid	91,524	251,710	104,099	147,611	622,336	66,948	334,740	316,453	18,286	32,279	8,
Bad debts	6,441	17,275	9,027	8,248	17,548	2,102	19,680	19,662	18	3,537	1,
Repairs	38,688	59,823	25,365	34,458	101,245	7,344	45,794	41,360	4,434	20,784	15,
Depreciation	*	*	*	*	*	*	*	*	*	*	
Depletion	—	—	—	—	205	322	—	—	—	—	
Pension, profit sharing, annuity and bond purchase plans	13,066	81,324	66,572	14,752	158,469	18,318	69,228	68,465	762	2,534	
Employee benefit programs	9,523	117,538	84,239	33,299	148,709	20,249	75,244	72,779	2,465	4,761	2,
Net loss from other partnerships and fiduciaries	25,341	2,779	225	2,553	15,474	519	8,926	7,508	1,417	335	2,
Rent net loss	3,553	586	136	451	5,606	56	653	653	—	2,212	
Royalty net loss	—	—	—	—	—	—	—	—	—	—	
Farm net loss	—	—	—	—	—	—	—	—	—	14	
Net loss, noncapital assets	5,180	12	12	—	890	143	131	130	—	76	
Other deductions	1,524,094	2,847,432	1,412,017	1,435,415	3,738,242	584,884	1,892,453	1,782,863	129,589	409,935	135,
Net income	1,098,605	5,222,888	3,201,877	2,021,011	10,056,899	408,510	2,349,895	2,223,639	126,256	1,240,455	264,

*The deduction for depreciation is not shown separately because the amounts reported on the partnership return, Form 1065, are understated. The understatement results from the reporting characteristics of partnerships in farming and real estate. A more accurate estimate of the depreciation deduction, obtained from the Form 4562, the form on which depreciation is computed, can be found in Table 2–Selected Items, by Industry.

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industry	Number of partnerships		Number of partners	Total assets	Business receipts[1]	Cost of sales and operations	Depreciation	Taxes paid deduction	Interest paid	Payroll	Guaranteed payments to partners	Net income (less deficit)	Net income	Deficit
	Total	Limited												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All industries	**1,643,581**	**257,164**	**12,426,721**	**1,030,848,519**	**357,802,613**	**160,857,822**	**46,939,395**	**6,673,186**	**25,437,588**	**36,348,857**	**7,517,503**	**-3,500,024**	**69,696,922**	**73,196,946**
Agriculture, forestry, and fishing	**139,306**	**9,950**	**494,392**	**26,738,825**	**5,885,672**	**3,498,298**	**2,380,076**	**88,031**	**363,290**	**556,635**	**254,850**	**-749,030**	**2,478,151**	**3,227,181**
Farms	112,817	7,548	389,673	22,043,910	3,113,091	2,110,767	2,019,052	40,128	194,734	222,319	199,687	-606,945	2,038,860	2,645,806
Field crop	41,997	1,415	156,679	7,583,058	891,665	445,414	628,486	22,115	46,850	119,244	70,339	392,779	1,023,547	630,769
Vegetable and melon	1,968	150	5,385	371,935	71,548	58,982	63,894	738	1,905	7,853	4,856	163,432	182,323	18,890
Fruit and tree nut	11,379	3,698	76,204	4,691,527	213,040	107,225	274,796	6,856	38,372	30,894	25,727	-369,356	150,974	520,331
Horticultural specialty	4,054	25	9,223	358,294	85,536	35,215	40,262	1,914	19,444	16,604	996	-30,339	54,186	84,525
Beef cattle feedlots	1,646	10	6,266	436,539	266,690	221,099	26,652	521	3,687	9,467	1,722	-826	29,244	30,071
Beef cattle, except feedlots	19,845	915	55,878	3,633,820	535,240	449,719	199,889	2,874	44,389	8,120	30,366	-344,282	212,244	556,526
Hogs, sheep, and goats	5,714	—	13,509	267,581	187,610	178,009	59,540	118	4,106	346	6,023	-16,480	45,002	61,482
Dairy farms	18,328	1,015	42,257	2,173,120	336,130	231,429	519,592	2,290	9,424	8,914	43,405	-84,740	227,359	312,099
Poultry and eggs	978	8	2,552	542,866	324,627	230,516	55,016	1,158	7,065	9,397	2,909	7,156	52,052	44,896
General livestock, including animal specialty	6,418	306	20,607	1,776,755	200,974	153,158	145,046	1,534	19,273	11,479	7,266	-319,447	61,930	381,377
Farms not allocable	490	5	1,093	26,415	—	—	5,872	—	219	—	6,054	-4,839	—	4,839
Agricultural services	20,349	835	63,512	2,750,055	1,955,181	1,000,845	249,864	39,022	82,178	248,522	23,502	-56,460	357,435	413,895
Veterinary services	593	149	6,676	71,712	155,362	19,116	5,624	2,362	1,331	19,873	2,401	7,294	65,718	58,424
Livestock breeding	2,185	499	14,076	883,965	137,159	72,248	93,866	3,680	17,739	20,878	3,650	-174,295	24,267	198,562
Animal services, except livestock breeding and veterinary	3,824	182	10,412	529,633	134,318	94,125	35,882	1,685	3,581	11,173	605	-52,299	23,584	75,883
Landscape and horticultural services	6,313	—	14,020	355,432	660,801	241,443	24,074	21,286	18,426	117,970	11,933	142,662	164,793	22,131
Other agricultural services	7,432	4	18,327	909,312	867,541	573,912	90,418	10,009	41,100	78,628	4,913	20,176	79,073	58,895
Forestry	2,473	33	30,050	1,374,173	397,397	182,073	31,812	6,425	45,375	37,963	21,362	-43,335	43,039	86,374
Fishing, hunting, and trapping	3,667	1,534	11,157	570,687	420,003	204,613	79,348	2,456	41,003	47,831	10,299	-42,290	36,817	81,106
Mining	**56,548**	**21,028**	**2,007,460**	**52,415,093**	**18,637,767**	**5,924,109**	**3,238,631**	**626,753**	**1,446,686**	**985,781**	**132,832**	**69,112**	**7,857,115**	**7,788,002**
Metal mining	2,037	1,329	38,559	4,493,521	1,095,520	803,069	299,063	56,059	141,144	119,214	732	-559,439	112,812	672,251
Coal mining	2,323	50	77,473	4,827,240	2,520,109	1,278,841	284,585	89,920	108,829	325,450	8,292	-77,410	330,377	407,787
Oil and gas extraction	50,980	18,932	1,883,264	41,265,540	14,177,318	3,356,057	2,525,683	471,390	1,151,106	362,321	116,652	787,343	7,348,703	6,561,361
Nonmetallic minerals, except fuels	1,208	717	8,164	1,828,792	844,820	486,142	129,319	9,383	45,606	178,797	7,156	-81,361	65,222	146,603
Construction	**64,607**	**3,024**	**173,273**	**13,783,426**	**23,198,439**	**17,192,497**	**556,881**	**223,235**	**475,227**	**2,613,680**	**405,140**	**2,193,322**	**2,966,387**	**773,065**
General building contractors and operative builders	23,729	831	60,950	9,293,978	10,093,291	8,235,145	143,475	95,354	327,731	816,144	237,375	520,867	1,006,968	486,080
General building contractors	22,857	643	58,416	7,541,857	9,381,045	7,694,233	115,179	88,828	288,008	792,818	236,717	405,337	824,612	419,275
Operative builders	873	188	2,532	1,752,120	712,246	540,913	28,296	6,525	39,723	23,326	658	115,550	182,356	66,805
Heavy construction contractors	1,845	69	4,145	2,456,762	5,653,302	4,740,238	118,453	20,900	44,813	726,934	12,597	592,257	700,148	107,891
Highway and street construction	146	63	522	256,833	821,625	762,043	15,514	2,598	7,323	66,283	1,680	29,157	44,780	15,623
Heavy construction, except highway	1,698	6	3,624	2,199,929	4,831,677	3,978,195	102,940	18,302	37,491	660,651	10,918	563,101	655,366	92,266
Special trade contractors	39,001	2,124	108,083	2,032,516	7,414,330	4,217,114	294,953	106,982	102,683	1,070,602	155,167	1,053,985	1,233,078	179,094
Plumbing, heating, and air conditioning	4,252	*	11,279	296,494	1,214,737	716,868	39,192	13,013	6,759	114,376	7,686	252,801	263,266	10,466
Painting, paper hanging, and decorating	6,345	—	14,156	96,408	573,770	211,148	10,083	15,952	2,106	90,484	25,211	181,855	186,834	4,979
Electrical work	4,599	—	10,711	260,884	759,450	430,061	20,197	8,401	11,124	142,008	723	124,147	126,637	2,490
Masonry, stonework, tile setting, and plastering	4,199	1,500	9,072	96,867	796,947	367,445	16,703	12,407	12,204	227,500	25,431	80,023	86,475	6,451
Carpentering and flooring	4,326	—	6,914	47,918	359,735	142,191	6,291	4,514	2,451	51,345	24,781	90,388	91,809	1,421
Roofing and sheet metal work	1,126	—	2,739	74,579	365,692	227,075	7,223	4,957	4,034	74,604	11,017	49,573	51,038	1,465
Concrete work	1,589	—	3,179	111,964	557,477	362,612	16,407	19,444	5,391	75,885	109	77,808	85,003	7,195
Water well drilling	485	—	970	—	1,542	1,281	1,314	14	1,155	—	—	-3,439	—	3,439
Miscellaneous special trade contractors	12,081	624	47,064	1,623,409	2,784,980	1,758,432	177,564	28,260	56,957	294,399	60,207	200,827	342,015	141,188
Contractors not allocable	31	—	94	170	37,515	—	—	—	—	—	—	26,192	26,192	—
Manufacturing	**29,606**	**1,116**	**93,601**	**19,574,057**	**18,326,382**	**14,237,424**	**1,481,903**	**209,394**	**614,043**	**2,366,219**	**132,861**	**-1,100,943**	**1,165,440**	**2,266,383**
Food and kindred products	465	49	1,758	1,347,257	2,535,348	1,949,258	78,974	29,493	50,543	312,180	8,478	13,543	77,841	64,298
Textile mill products	236	*	495	93,980	279,249	211,080	5,305	1,784	4,746	45,557	436	16,561	18,342	1,781
Apparel and other textile products	2,712	6	5,487	649,652	1,189,089	860,912	14,649	10,210	34,932	148,272	1,906	45,996	60,011	14,015
Lumber and wood products, except furniture	2,162	32	6,534	2,053,582	2,213,383	1,760,942	178,406	43,364	146,083	386,999	18,488	-219,853	73,457	293,310
Furniture and fixtures	1,757	*	4,016	129,662	269,131	224,187	5,996	306	6,713	58,972	196	-14,181	6,952	21,134
Printing, publishing, and allied industries	4,414	467	19,094	1,260,481	1,561,892	788,160	99,420	29,026	42,849	347,183	38,559	34,816	212,446	177,629

Footnotes at end of table

Table 2 — Selected Items, by Industry — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industry	Number of partnerships		Number of partners	Total assets	Business receipts[1]	Cost of sales and operations	Depreciation	Taxes paid deduction	Interest paid	Payroll	Guaranteed payments to partners	Net income (less deficit)	Net income	Deficit
	Total	Limited												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Manufacturing—Continued														
Chemicals and allied products	294	172	7,379	5,788,125	2,478,046	2,172,006	423,372	25,412	99,822	169,685	2,309	-481,380	247,356	728,735
Leather and leather products	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Stone, clay, and glass products	4,143	6	8,362	319,461	256,932	178,106	19,370	10,235	3,348	53,775	4,069	-3,923	20,118	24,041
Primary metal industries	1,041	4	2,099	867,437	1,294,391	1,045,500	71,302	10,495	34,399	201,335	7,482	11,976	42,902	30,926
Fabricated metal products	2,486	97	5,922	904,218	1,094,526	786,882	52,187	14,420	31,673	159,227	8,044	18,389	97,858	79,469
Machinery, except electrical	1,018	33	2,299	337,851	166,348	140,619	8,467	629	11,104	13,920	2,464	39,844	51,331	11,486
Electrical and electronic equipment	132	12	1,491	451,862	407,574	286,754	21,280	4,092	4,162	89,674	288	-1,403	44,684	46,088
Transportation equipment	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Other manufacturing industries	8,719	222	28,405	5,256,782	4,480,866	3,754,695	496,208	28,244	140,279	361,943	40,080	-552,740	207,531	760,270
Manufacturing not allocable	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transportation, communication, electric, gas, and sanitary services	**20,578**	**4,394**	**142,091**	**21,109,071**	**10,732,715**	**5,572,292**	**2,112,716**	**183,646**	**1,253,616**	**949,704**	**102,303**	**-2,007,032**	**1,260,499**	**3,267,532**
Local and interurban passenger transit	1,090	*	2,196	53,143	99,891	14,051	12,175	4,997	4,200	25,869	—	13,810	20,253	6,443
Taxicabs	6	—	12	15,301	9,561	10,426	3,436	—	1,273	6,227	—	-5,887	—	5,887
Other passenger transportation	1,084	*	2,184	37,841	90,330	3,625	8,739	4,997	2,927	19,642	—	19,697	20,253	556
Trucking and warehousing	9,980	1,535	33,285	1,561,856	3,181,869	2,043,105	223,804	46,176	95,949	286,126	73,982	116,856	183,689	66,833
Trucking, local and long distance	8,925	1,349	19,459	631,649	1,410,275	407,329	182,433	39,455	66,494	253,131	45,986	91,637	130,405	38,769
Public warehousing and trucking terminals	1,055	186	13,827	930,209	1,771,587	1,635,776	41,371	6,723	27,456	32,995	27,993	25,219	53,283	28,064
Water transportation	498	270	5,256	1,766,651	760,021	520,512	221,413	4,094	124,919	85,711	1,986	-171,336	64,987	236,324
Air transportation	442	12	1,626	330,355	115,901	32,916	61,526	3,367	23,582	13,366	760	-24,116	28,856	52,972
Transportation services	1,773	83	12,334	2,673,157	2,608,255	1,427,581	306,731	14,072	127,640	48,670	4,720	410,385	675,098	264,713
Passenger transportation arrangement	79	—	233	34,959	144,399	95,995	4,901	1,023	1,644	5,550	1,894	10,109	11,075	966
Freight transportation arrangement	273	19	3,858	113,877	307,751	101,156	17,319	289	7,300	7,476	—	4,359	17,644	13,285
Other transportation services	1,421	64	8,244	2,524,322	2,156,106	1,230,430	284,511	12,754	118,696	35,643	2,826	395,917	646,379	250,463
Communication	3,892	2,276	64,243	8,663,150	2,550,039	661,918	717,595	61,785	577,012	463,894	18,800	-1,393,291	159,459	1,552,749
Electric, gas, and water services	1,387	210	19,593	5,441,231	1,284,659	806,105	541,569	25,166	279,035	10,288	1,427	-953,797	125,293	1,079,090
Sanitary services	1,516	*	3,558	619,526	132,088	46,102	27,903	3,987	21,279	15,780	628	-5,542	22,865	28,407
Wholesale and retail trade	**184,841**	**11,177**	**443,712**	**21,222,015**	**72,335,387**	**56,135,446**	**1,199,719**	**883,974**	**913,839**	**5,221,006**	**777,739**	**1,666,476**	**3,238,481**	**1,572,005**
Wholesale trade	21,359	248	56,782	7,775,074	28,169,862	24,923,035	301,714	135,505	359,969	1,026,075	224,577	371,099	839,618	468,519
Motor vehicles and automotive equipment	775	*	1,946	264,480	668,203	442,023	9,090	5,570	9,273	31,338	3,787	52,549	66,947	14,398
Lumber and construction materials	2,135	5	5,107	245,476	1,362,694	1,065,872	23,237	9,037	12,011	85,952	16,806	67,460	80,635	13,175
Electrical goods	753	9	2,087	222,365	376,443	294,728	8,525	4,292	2,164	42,463	13,263	12,167	25,071	12,905
Hardware, plumbing, and heating equipment	204	3	567	120,325	263,739	193,877	2,252	5,348	6,051	31,239	4,288	759	12,322	11,563
Farm machinery and equipment	965	6	2,074	223,379	411,766	317,976	4,747	4,428	8,214	25,780	5,663	23,323	26,933	3,610
Other machinery, equipment, and supplies	2,244	6	5,394	760,886	1,302,344	936,567	74,282	13,402	57,089	86,259	23,935	10,986	76,171	65,183
Other durable goods	3,667	58	9,874	2,018,108	2,921,399	2,450,023	51,660	14,914	90,330	122,727	91,873	45,689	117,833	72,144
Drugs, chemicals, and allied products	457	*	963	169,123	601,868	483,186	8,177	2,708	5,610	23,023	756	33,019	41,771	8,752
Apparel, piece goods, and notions	1,976	7	4,371	275,087	985,566	711,617	6,217	5,399	10,958	164,156	2,416	71,366	76,536	5,168
Groceries and related products	1,372	23	6,546	440,664	2,965,926	2,576,835	17,148	17,683	12,588	121,968	18,706	59,236	77,389	18,153
Farm-product raw materials	1,503	11	3,742	765,266	2,668,256	2,474,415	50,571	10,045	36,815	78,693	10,902	-10,866	36,096	46,962
Alcoholic beverages	102	20	648	164,490	738,105	597,535	7,004	5,439	5,042	46,546	4,864	31,706	38,725	7,019
Other nondurable goods	5,192	96	13,426	2,097,147	12,879,750	12,363,553	38,222	37,241	103,401	166,640	26,416	-26,894	162,792	189,485
Wholesalers not allocable	16	—	33	8,281	23,822	14,827	562	—	423	1,290	903	396	396	—
Retail trade	163,473	10,928	386,907	13,434,830	44,132,987	31,183,888	897,894	748,274	553,832	4,193,347	553,089	1,294,922	2,398,115	1,103,193
Building materials, paint, hardware, garden supply, and mobile home dealers	7,992	40	18,927	1,965,093	2,440,539	1,662,313	64,825	42,941	46,144	184,194	54,335	156,633	208,625	51,992
Lumber and other building materials dealers	2,518	35	5,969	688,068	1,256,681	905,600	21,843	13,055	16,993	73,703	13,658	104,407	124,359	19,953
Paint, glass, and wallpaper stores	268	—	1,049	35,050	129,048	55,907	2,741	4,821	3,210	17,376	1,096	19,016	19,016	—
Hardware stores	2,332	*	5,022	209,193	524,804	338,142	4,782	12,821	3,884	53,265	25,745	31,585	37,079	5,494
Retail nurseries and garden supply stores	2,237	—	5,553	865,721	319,210	186,687	20,797	9,778	13,101	29,886	12,589	6,456	24,479	18,021
Mobile home dealers	637	*	1,334	167,060	210,796	173,976	14,662	2,466	8,955	9,962	1,245	-4,833	3,691	8,524
General merchandise stores	4,937	53	10,574	395,985	646,329	587,322	21,420	15,126	10,634	79,901	23,129	5,757	55,889	50,132
Variety stores	2,635	50	5,809	178,165	362,879	218,576	15,783	8,613	1,114	32,564	12,383	16,942	40,234	23,291
Other general merchandise stores	2,302	3	4,765	217,820	483,449	368,747	5,637	6,513	9,520	47,337	10,746	-11,185	15,656	26,841

Footnotes at end of table.

Table 2 — Selected Items, by Industry — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industry	Number of partnerships		Number of partners	Total assets	Business receipts[1]	Cost of sales and operations	Depreciation	Taxes paid deduction	Interest paid	Payroll	Guaranteed payments to partners	Net income (less deficit)	Net income	Deficit
	Total	Limited												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Wholesale and retail trade—Continued														
Food stores	23,657	573	51,787	1,387,041	8,802,217	6,964,358	106,353	103,586	54,636	618,260	38,798	274,030	373,226	99,195
Grocery stores	11,674	254	25,461	903,871	6,101,166	5,004,176	64,288	63,421	37,757	398,967	26,383	143,159	193,019	49,860
Meat and fish markets, including freezer provisioners	1,993	*	4,164	97,362	867,422	656,430	12,812	6,959	2,970	38,872	1,942	70,833	74,820	3,987
Fruit stores and vegetable markets	276	165	619	29,336	159,335	127,225	1,327	2,106	1,143	9,674	2,066	6,956	6,984	28
Candy, nut, and confectionary stores	79	—	404	9,667	38,479	20,892	1,677	1,481	515	7,765	—	4,527	5,568	1,041
Dairy products stores	653	—	1,329	62,265	86,257	52,759	5,150	3,053	4,627	8,361	155	−2,214	1,699	3,913
Retail bakeries	1,702	*	3,426	15,265	266,655	151,472	4,030	10,267	43	69,449	1,609	37,076	37,076	—
Miscellaneous food stores	7,279	151	16,386	269,274	1,282,901	951,405	17,068	16,297	7,582	85,191	6,623	13,694	54,059	40,365
Automotive dealers and service stations	14,080	458	33,155	2,452,932	11,451,086	9,723,441	128,500	93,558	108,165	545,153	132,512	251,547	382,947	131,400
Motor vehicle dealers - new car dealers (franchised)	903	50	2,486	540,554	2,125,750	1,850,774	11,301	14,030	20,596	113,976	11,946	82,719	86,218	3,500
Motor vehicle dealers - used cars only	3,079	165	6,478	117,438	1,101,337	955,857	4,869	6,691	14,297	41,048	13,426	35,207	51,378	16,171
Auto and home supply stores	2,022	13	5,402	289,910	1,093,513	713,507	12,061	12,376	10,376	132,258	35,343	60,316	62,811	2,495
Gasoline service stations	6,059	30	13,525	987,948	6,418,584	5,723,188	51,276	52,897	39,451	206,276	50,037	78,974	136,764	57,790
Boat dealers	548	—	1,097	28,224	30,632	20,304	1,083	297	1,210	1,355	407	610	4,012	3,402
Recreational vehicle dealers	226	—	453	16,693	105,318	67,394	851	119	745	1,957	11,615	9,177	9,177	—
Motorcycle dealers	383	16	1,175	117,599	206,944	168,953	1,554	2,183	4,457	14,077	3,109	−2,391	2,921	5,312
Miscellaneous aircraft and automotive dealers	859	184	2,540	354,566	369,008	223,465	45,463	4,965	17,034	34,207	6,631	−13,065	29,666	42,731
Apparel and accessory stores	12,268	1,162	29,319	807,707	1,739,302	1,098,751	71,091	38,195	17,184	173,148	32,614	7,365	79,820	72,455
Men's and boys' clothing and furnishings stores	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Women's ready-to-wear stores	2,601	485	7,235	31,207	185,807	120,373	1,408	5,166	5,583	18,040	9,738	−19,415	6,551	25,966
Women's accessory and specialty stores	1,020	6	2,064	25,721	73,390	56,949	1,597	148	644	1,861	—	−5,828	—	5,828
Children's and infants' wear stores	1,014	—	2,029	90,447	219,115	151,433	5,776	2,000	520	26,520	—	1,109	1,109	—
Family clothing stores	997	*	2,439	156,048	316,785	193,779	44,205	5,376	1,948	40,941	7,617	16,741	18,565	1,824
Shoe stores	2,205	*	4,468	66,319	242,825	149,426	2,618	3,608	2,369	26,107	296	23,699	23,822	123
Furriers and fur shops	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Apparel and accessory stores, not elsewhere classified	3,924	667	9,886	268,953	493,384	310,227	12,057	19,550	1,018	41,531	9,921	−9,066	18,791	27,878
Furniture and home furnishings stores	10,056	1,363	21,925	794,871	2,096,662	1,416,801	24,508	30,237	22,505	159,113	25,038	151,633	189,110	37,476
Furniture stores	3,609	332	7,518	427,358	860,021	550,662	7,503	15,905	11,463	67,519	19,112	67,911	81,551	13,640
Floor covering stores	767	—	1,552	100,803	202,607	123,775	3,192	3,382	4,931	23,636	175	29,609	29,609	—
Drapery, curtain, and upholstery stores	149	—	298	—	6,191	3,215	3	59	123	709	—	588	588	—
Home furnishings and equipment stores, except appliances	2,753	1,014	5,517	53,595	216,659	144,587	4,596	2,964	2,138	20,669	777	−11,552	8,881	20,434
Household appliance stores	1,353	—	3,004	152,444	491,216	364,902	4,891	4,010	1,317	23,198	4,242	53,731	53,761	30
Radio and television stores	710	—	2,391	28,568	171,311	130,224	1,923	2,553	695	12,309	—	10,339	11,469	1,130
Music stores	716	16	1,646	32,102	148,658	99,437	2,399	1,365	1,839	11,055	732	1,008	3,250	2,242
Eating and drinking places	35,130	2,897	96,525	2,868,268	8,574,630	3,989,177	310,089	286,196	179,121	1,787,424	97,761	179,894	562,723	382,829
Eating places	31,539	2,873	88,894	2,707,639	8,297,935	3,844,633	289,984	271,087	168,247	1,743,598	92,536	180,893	547,523	366,630
Drinking places	3,591	24	7,631	160,629	276,695	144,543	20,105	15,110	10,874	43,826	5,225	−999	15,200	16,198
Miscellaneous retail stores	54,866	4,379	123,708	2,755,542	8,109,211	5,681,640	170,976	138,345	115,039	640,154	139,941	275,360	545,342	269,982
Drug stores and proprietary stores	1,874	98	4,276	241,692	658,942	442,040	8,694	9,556	5,612	66,603	24,804	56,056	57,396	1,340
Liquor stores	3,167	1,023	7,176	394,940	1,515,271	1,211,429	32,721	26,078	18,621	88,391	7,628	48,952	64,661	15,709
Used merchandise stores	2,079	—	4,644	34,021	104,015	74,241	873	843	1,858	2,620	391	2,780	6,556	3,796
Sporting goods and bicycle shops	4,608	711	11,024	114,931	515,140	345,191	6,730	6,618	2,660	45,333	11,102	−10,337	22,358	32,695
Book stores	2,013	555	5,127	64,364	83,178	50,601	6,343	945	5,884	7,775	—	−2,907	8,294	11,201
Stationery stores	131	*	405	40,190	82,096	58,689	840	1,097	499	9,554	2,036	3,887	3,887	—
Jewelry stores	1,201	—	2,755	166,509	445,144	288,012	6,218	9,760	7,857	85,075	13,851	37,353	37,598	244
Hobby, toy, and game shops	2,472	—	4,944	15,640	36,215	33,508	2,077	300	239	45	—	−5,090	156	5,246
Camera and photographic supply stores	971	*	1,944	351	76,487	46,164	4,398	2,692	3,437	9,543	—	4,587	5,708	1,121
Gift, novelty, and souvenir shops	4,953	18	10,493	64,373	354,215	211,815	5,600	10,016	1,734	14,576	153	43,574	51,425	7,851
Luggage and leather goods stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sewing, needlework, and piece goods stores	4,986	—	9,973	128,911	431,826	267,832	5,474	16,251	8,942	29,792	34,160	−13,042	13,631	26,673

Footnotes at end of table.

Table 2 — Selected Items, by Industry — Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industry	Number of partnerships		Number of partners	Total assets	Business receipts[1]	Cost of sales and operations	Depreciation	Taxes paid deduction	Interest paid	Payroll	Guaranteed payments to partners	Net income (less deficit)	Net income	Deficit
	Total	Limited												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Wholesale and retail trade—Continued														
Retail trade—Continued														
Miscellaneous retail stores—Continued														
Mail order houses	1,467	*	2,947	99,307	399,048	266,815	1,426	1,996	325	29,894	321	38,865	39,224	359
Merchandising machine operators	636	—	1,422	23,767	34,242	17,307	4,655	342	54	3,475	553	2,676	2,676	—
Direct selling organizations	3,154	*	7,325	66,304	279,496	113,522	5,174	2,611	8,664	15,043	204	47,229	54,937	7,709
Fuel and ice dealers, except fuel oil dealers and bottled gas dealers	217	—	499	22,541	202,073	173,782	3,789	3,007	1,432	8,243	522	2,196	3,936	1,740
Fuel oil dealers	169	4	431	51,181	302,810	257,517	3,032	3,382	1,612	14,166	3,974	6,268	6,787	519
Liquified petroleum gas (bottled gas) dealers	64	—	145	17,979	77,313	68,945	2,679	276	197	1,412	141	1,867	1,927	60
Florists	3,080	1,014	6,159	42,386	169,706	118,172	3,555	4,333	750	19,464	16	-33,745	6,021	41,766
Cigar stores and stands	—	—	—	—	—	—	—	—	—	—	—	—	—	—
News dealers and newsstands	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other miscellaneous retail stores	17,624	949	42,020	1,144,144	2,339,990	1,636,057	66,696	38,341	44,664	189,147	39,882	44,210	156,165	111,955
Retail trade not allocable	487	*	987	7,391	72,812	60,085	133	87	403	5,981	8,961	-7,297	433	7,730
Wholesale and retail trade not allocable	8	*	24	12,111	32,518	28,523	111	194	37	1,584	73	454	748	294
Finance, insurance, and real estate	**790,902**	**163,578**	**7,408,313**	**770,457,317**	**94,362,434**	**38,507,475**	**26,384,809**	**1,659,838**	**15,487,083**	**2,956,779**	**1,392,157**	**-19,243,718**	**25,646,379**	**44,890,098**
Finance	144,175	39,934	2,163,044	168,934,031	37,526,636	22,016,952	1,217,707	286,617	5,097,467	1,331,159	419,345	1,359,929	6,413,803	5,053,874
Banking	1,090	3	236,749	15,072,696	1,332,028	584,314	2,792	831	116,229	43,342	2,332	561,590	561,952	363
Credit agencies other than banks	2,617	1,142	16,149	2,206,515	306,622	35,729	10,332	5,077	95,853	31,334	11,066	15,702	88,758	73,057
Security and commodity brokers and services	5,906	3,494	98,369	54,851,976	26,830,663	20,264,623	26,954	77,463	3,273,752	999,579	236,070	-90,961	1,184,823	1,275,804
Security underwriting syndicates	1,050	13	3,885	1,583,284	1,366,821	914,577	2,233	6,439	140,110	144,858	17,956	148,066	166,449	18,383
Security brokers and dealers, except underwriting syndicates	1,325	351	12,345	44,412,686	19,591,472	14,124,556	16,017	60,499	2,946,483	749,522	205,985	123,572	809,770	686,198
Commodity contracts brokers, exchanges, and services	3,530	3,130	82,140	8,856,006	5,872,369	5,245,490	8,703	10,525	187,158	105,200	12,129	-362,619	208,603	571,222
Holding and investment companies	134,562	35,295	1,811,777	96,800,843	9,057,323	1,132,266	1,177,630	203,246	1,611,634	256,903	169,878	873,616	4,578,269	3,704,651
Investment clubs	17,057	4,234	159,915	3,644,730	254,283	7 337	8,751	3,149	11,751	5,353	657	96,732	187,914	91,182
Common trust funds	2,559	126	565,581	11,270,448	1,011,294	58,077	3,740	410	45,903	—	6,608	870,159	936,023	65,864
Other holding and investment companies	114,946	30,935	1,086,281	81,885,665	7,791,746	1,066,871	1,165,138	199,687	1,553,980	251,550	162,613	-93,273	3,454,333	3,547,606
Insurance agents, brokers, and services	9,806	206	114,077	3,098,157	3,117,331	403,175	36,266	33,619	34,675	221,707	78,559	600,341	684,586	84,245
Real estate	636,920	143,436	5,131,192	598,425,129	53,718,466	16,087,348	25,130,837	1,539,602	10,354,941	1,403,913	894,253	-21,203,988	18,547,990	39,751,979
Operators and lessors of buildings	536,216	120,193	4,510,523	508,026,692	31,860,273	3 401,992	23,367,506	1,120,793	7,050,216	762,987	611,115	-18,885,837	14,696,416	33,582,253
Lessors, other than buildings	32,556	6,274	214,661	12,948,716	965,269	34,462	766,442	30,535	179,002	28,967	5,366	-505,372	582,541	1,087,913
Real estate agents, brokers, and managers	18,049	3,740	138,403	9,015,244	2,622,868	561,840	236,465	65,114	324,876	228,199	140,573	-221,749	432,887	654,636
Title abstract companies	358	—	1,430	160,559	10,624	5,431	9,675	154	4,273	249	—	-8,543	149	8,692
Subdividers and developers, except cemeteries	48,716	12,921	253,596	66,844,031	17,861,991	11,774,107	724,196	320,733	2,763,494	377,717	134,546	-1,651,760	2,761,092	4,412,853
Cemetery subdividers and developers	199	46	1,031	195,700	24,203	10,573	1,433	1,446	3,786	4,582	342	-7,305	3,888	11,193
Combined real estate, insurance, loans, and law offices	823	263	11,527	1,234,189	373,239	228,943	5,120	826	29,294	1,216	2,309	78,577	91,016	14,439
Services	**331,103**	**22,117**	**1,577,704**	**87,964,078**	**90,243,640**	**16,818,253**	**9,506,970**	**2,583,201**	**4,817,213**	**20,610,115**	**2,998,483**	**15,583,256**	**24,800,274**	**9,217,019**
Hotels and other lodging places	16,917	5,108	241,166	33,129,585	14,019,645	5,510,319	2,000,634	636,313	2,463,792	2,500,836	90,689	-2,109,805	817,886	2,927,692
Hotels	2,431	1,342	36,505	20,396,294	9,406,081	4,554,646	1,147,771	400,056	1,584,241	1,634,716	40,211	-1,729,091	353,431	2,082,522
Motels, motor hotels, and tourist courts	9,995	2,772	156,598	9,283,527	3,957,395	717,931	646,973	201,538	744,949	801,896	33,336	-271,855	339,449	611,305
Rooming and boarding houses	1,616	236	24,844	921,194	96,920	30,040	49,980	5,506	17,863	12,024	335	-36,384	28,456	64,840
Sporting and recreational camps	1,198	10	3,508	147,708	45,731	12,472	5,877	1,656	6,998	5,048	1,577	-11,858	3,360	15,218
Trailering parks and camp sites for transients	3,648	723	16,667	2,244,639	453,480	185,334	135,393	24,486	99,814	30,605	15,164	-39,735	92,928	132,663
Organizational hotels and lodging houses, on a membership basis	28	23	1,044	136,023	58,040	9,897	14,640	3,071	9,927	16,547	45	-20,881	262	21,143
Personal services	33,282	588	79,816	867,678	2,245,631	446,966	157,697	54,629	47,501	477,145	103,513	214,290	358,422	144,132
Coin-operated laundries and dry cleaning	2,964	*	6,247	166,147	360,188	39,231	43,198	10,710	13,315	51,582	360	32,203	43,323	11,120
Other laundry, cleaning, and garment services	3,976	—	8,923	61,044	294,771	41,425	13,205	6,344	3,526	79,987	14,823	20,476	23,330	2,854
Photographic studios, portrait	1,541	—	3,653	20,573	72,963	17,456	3,626	1,511	1,225	7,603	—	3,154	3,720	566
Beauty shops	10,200	*	23,702	85,696	324,151	58,822	21,107	13,723	12,884	85,734	48,398	-5,523	39,265	44,788
Barber shops	3,528	—	9,086	10,854	306,775	37,413	6,002	3,756	—	139,928	—	31,743	38,082	6,339
Shoe repair and hat cleaning shops	485	—	1,456	—	7,830	2,899	203	287	—	2,523	—	1,917	1,917	—
Funeral service and crematories	999	8	2,157	213,664	274,360	88,953	22,135	9,322	10,869	37,653	7,650	35,535	42,852	7,318
Miscellaneous personal services	9,589	573	24,592	309,680	604,554	160,766	48,222	8,975	5,683	72,135	32,284	94,785	165,933	71,148
Business services	80,189	5,990	451,534	21,454,480	7,278,916	2,245,430	3,495,424	135,198	869,171	1,105,676	213,954	296,751	2,581,576	2,284,825
Advertising	2,202	138	7,102	839,092	766,168	420,148	49,780	6,330	92,341	117,103	28,697	256	74,834	74,578
Services to buildings	3,756	34	8,856	142,437	173,412	91,855	25,656	2,903	3,212	41,048	2,836	50,491	71,897	21,406
Computer and data processing services	5,556	133	24,347	1,150,941	522,461	196,582	141,952	6,036	26,546	54,675	10,098	-59,759	89,133	148,892
Management and public relations	8,981	1,430	36,387	1,668,449	1,220,310	104,964	62,436	31,561	39,366	295,493	96,166	266,873	380,531	113,659
Equipment rental and leasing	39,286	3,405	267,775	13,778,620	1,841,093	503,542	2,923,566	34,614	534,142	82,219	54,187	-155,413	1,311,735	1,467,148
Other business services	20,408	850	87,068	3,874,941	2,755,452	928,338	292,027	53,752	173,564	515,140	21,970	194,305	653,446	459,141

Footnotes at end of table.

Table 2—Selected Items, by Industry—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industry	Number of partnerships		Number of partners	Total assets	Business receipts[1]	Cost of sales and operations	Depreciation	Taxes paid deduction	Interest paid	Payroll	Guaranteed payments to partners	Net income (less deficit)	Net income	Deficit
	Total	Limited												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Services—Continued														
Automobile repair and services	35,396	146	76,991	1,851,550	3,808,690	1,962,105	257,020	75,057	119,028	514,649	119,770	350,060	488,026	137,946
Automotive rentals, without drivers	2,543	49	6,192	540,326	125,764	20,316	137,833	2,290	32,648	7,391	1,161	−32,098	31,372	63,470
Automobile parking	220	19	773	208,929	95,013	3,553	7,609	6,804	15,900	21,531	2,279	10,147	11,512	1,366
Automotive top and body repair shops	5,510	—	11,022	72,184	813,772	405,493	34,100	18,057	6,752	166,204	14,038	149,504	150,079	575
General automotive repair shops	14,736	—	32,581	426,517	1,401,066	798,872	33,270	20,571	17,093	148,200	36,715	148,678	167,365	18,687
Other automotive repair shops	5,458	16	11,860	323,341	526,466	276,918	11,010	9,725	12,633	71,421	29,860	19,077	45,577	26,500
Automotive services, except repair	6,927	63	14,565	282,253	846,566	456,953	33,198	17,609	34,002	99,902	35,696	54,772	82,122	27,350
Miscellaneous repair services	11,300	*	25,155	345,559	1,026,279	547,993	61,387	14,431	19,690	104,846	25,025	146,779	177,111	30,332
Radio and TV repair shops	1,503	*	5,402	81,349	187,562	104,613	5,395	1,979	3,886	89	—	51,440	56,704	5,263
Electrical repair shops, except radio and TV	2,109	—	4,228	31,751	91,166	60,716	1,240	606	1,400	3,597	5,070	15,861	17,032	1,171
Reupholstery and furniture repair	485	—	970	—	5,100	—	—	19	—	—	1,941	862	862	—
Other miscellaneous repair shops	7,203	—	14,555	232,460	742,450	382,664	54,752	11,746	14,404	101,159	18,015	78,616	102,514	23,898
Motion pictures	6,795	3,786	103,713	4,713,039	3,357,701	1,333,699	1,115,987	23,489	112,721	217,376	42,011	−429,688	673,686	1,103,375
Motion picture production, distribution, and services	6,356	3,766	102,310	4,404,229	2,978,140	1,184,461	1,098,000	7,574	106,647	159,035	39,463	−453,255	636,173	1,089,428
Motion picture theaters	441	23	1,403	308,810	379,561	149,237	17,987	15,915	6,073	58,341	2,548	23,567	37,513	13,946
Amusement and recreation services, except motion pictures	25,036	936	89,680	5,580,549	3,851,584	805,506	611,734	150,650	387,983	988,786	117,641	−403,870	424,919	828,789
Producers, orchestras, and entertainers	5,084	25	15,265	178,572	411,486	145,578	32,390	4,949	7,048	62,119	71,458	−13,014	44,178	57,193
Billiard and pool establishments	2,029	—	4,058	13,500	38,057	15,270	1,627	2,609	—	9,867	3,804	−1,685	43	1,728
Bowling alleys	54	32	871	173,179	84,011	14,879	11,164	4,325	8,539	21,126	841	−3,101	4,928	8,030
Professional sports clubs and promoters	1,662	36	5,218	804,785	533,097	117,410	22,801	20,946	39,165	298,203	13,214	−80,858	29,829	110,687
Racing, including track operation	4,123	55	15,896	420,643	164,579	16,052	24,456	4,632	3,700	20,143	142	30,239	92,464	62,224
Other amusement and recreation services	12,084	786	48,352	3,989,871	2,620,353	496,317	519,296	113,189	329,539	579,330	28,181	−335,451	253,477	588,928
Medical and health services	30,160	2,020	130,874	5,991,946	13,598,013	1,042,148	319,162	315,158	312,796	2,997,343	416,481	4,839,963	5,222,888	382,905
Offices of physicians	10,062	63	37,340	988,987	6,289,003	53,703	64,680	106,333	34,946	1,284,426	217,905	3,194,766	3,201,877	7,061
Offices of dentists	6,499	—	16,151	268,749	1,483,881	87,774	39,212	29,594	16,337	306,625	10,816	511,055	647,707	136,652
Offices of osteopathic physicians	62	—	123	8,251	34,149	—	476	1,019	—	12,254	—	13,030	13,030	—
Offices of chiropractors	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Offices of optometrists	399	—	1,412	26,337	197,031	35,834	1,579	1,700	1,231	17,133	11,936	70,425	70,425	—
Registered and practical nurses	3	—	42	1,330	18,498	3,721	62	537	—	5,743	89	2,216	2,216	—
Nursing and personal care facilities	1,364	436	12,447	2,418,976	2,095,526	387,949	114,429	117,246	164,596	785,492	19,912	33,856	122,665	88,809
Hospitals	117	56	2,554	721,908	585,848	65,454	26,220	19,745	31,588	198,930	9,306	51,761	88,628	36,868
Medical laboratories	1,505	72	11,905	449,764	443,629	59,441	12,640	11,354	11,555	94,350	8,477	−66,618	86,874	153,492
Dental laboratories	1,014	—	2,029	9,447	165,619	—	—	2,354	1,252	20,943	—	80,366	80,366	—
Other medical and health services	9,136	1,391	46,871	1,098,197	2,284,849	368,273	59,863	25,273	51,292	281,445	138,020	749,104	909,099	159,995
Legal services	25,152	7	121,066	5,218,289	23,519,781	236,101	534,248	634,875	164,177	6,095,792	638,066	10,006,130	10,056,899	50,769
Educational services	6,116	72	15,282	146,732	113,490	12,131	14,868	811	482	7,877	22,737	−1,743	19,415	21,158
Engineering and architectural services	6,704	43	18,166	799,987	3,222,065	975,248	53,911	75,984	31,802	906,155	217,436	337,863	408,510	70,648
Accounting, auditing, and bookkeeping services	14,253	571	55,293	2,501,793	10,383,136	155,187	207,705	345,293	104,900	3,812,341	826,569	2,300,180	2,349,895	40,714
Certified public accountants	8,233	24	39,319	2,218,026	9,743,642	141,863	185,976	324,764	98,520	3,612,766	741,637	2,204,732	2,223,639	18,907
Other accounting, auditing, and bookkeeping services	6,020	547	15,974	283,765	639,494	13,324	21,729	20,529	6,380	199,575	84,932	104,448	126,256	21,808
Other services	37,796	2,849	168,966	5,382,892	3,818,711	1,545,420	677,192	121,314	163,168	861,289	164,627	227,306	1,221,040	993,733
Nature of business not allocable	**26,091**	**780**	**86,177**	**17,564,638**	**24,090,177**	**22,972,027**	**77,690**	**15,115**	**66,590**	**88,935**	**1,321,136**	**88,533**	**284,195**	**175,662**

*The estimate for this cell is not shown separately to avoid disclosure of information about specific partnerships. However, the data is included in the appropriate totals.
[1]Total receipts for industries in "Finance, insurance, and real estate" and business receipts for all other industries.

Individual Income Tax Returns, 1983: A Demographic Snapshot

By Bryan Musselman and Paul Grayson

Few demographic characteristics can be obtained by analyzing individual income tax returns since only a limited amount of this type of information has to be reported [1, 2]. The demographic data presented in this article are the result of a survey of a small sample of taxpayers. Because many of those in the sample did not respond and because it was not always evident how the data reflected the spouses on joint returns, the distributions shown do not directly reflect the characteristics of all taxpayers. However, they do provide some new insights into the characteristics of the tax filing population [3].

AGE

For Tax Year 1983, the median age was 46.5 for taxpayers filing Form 1040, 33.4 for Form 1040A, and 23.5 for Form 1040EZ. Almost 90 percent of Form 1040EZ filers were under the age of 35, in fact 63 percent of them were under the age of 25 (Figure A). The age group 15 to 34 is expected to peak in 1986, and then decline by approximately 11 percent by the year 2000 [4]. A corresponding trend can be anticipated for filers of Form 1040EZ.

EDUCATION

As shown in Figure B, fully 90 percent of Form 1040EZ filers for 1983 had at least a high school diploma (or equivalent) compared to 78 percent for 1040A filers and 84 percent for 1040 filers. Corresponding figures for persons in the general population age 25 and older are presented in Figure C for comparison. The data show that persons filing tax returns are generally better educated than the population at large: as of 1983, about 28 percent of persons 25 years and older had not graduated from high school. Form 1040EZ filers (younger, single taxpayers) were generally the best educated, having the largest proportion with a high-school-or-better education. While only 16 percent of the 1040EZ group were college graduates, it seems clear that this was because many of them were still relatively young; many of the 33 percent with "some college" undoubtedly would be in the "college graduate" class in another 2 or 3 years [5]. Form 1040A filers were the least well educated, having the largest proportion of persons with less than a high school diploma, and the smallest proportion with some college.

RACIAL OR ETHNIC BACKGROUND

Some substantial differences emerged in the distributions by racial or ethnic background of the three tax filing groups. For 1983, almost 90 percent of those filing Form 1040 were white, compared to 70 percent who filed Form 1040A and 82 percent who filed Form 1040EZ (Figure D). Most interesting is that 19 percent of 1040A forms were filed by blacks, since blacks comprise only 12 percent of the U.S. residential population age 16 and over [6]. This most likely is a reflection of the lower median weekly earnings of full-time wage and salaried black Americans, which were $257 in 1983 compared to $309 for workers overall [7].

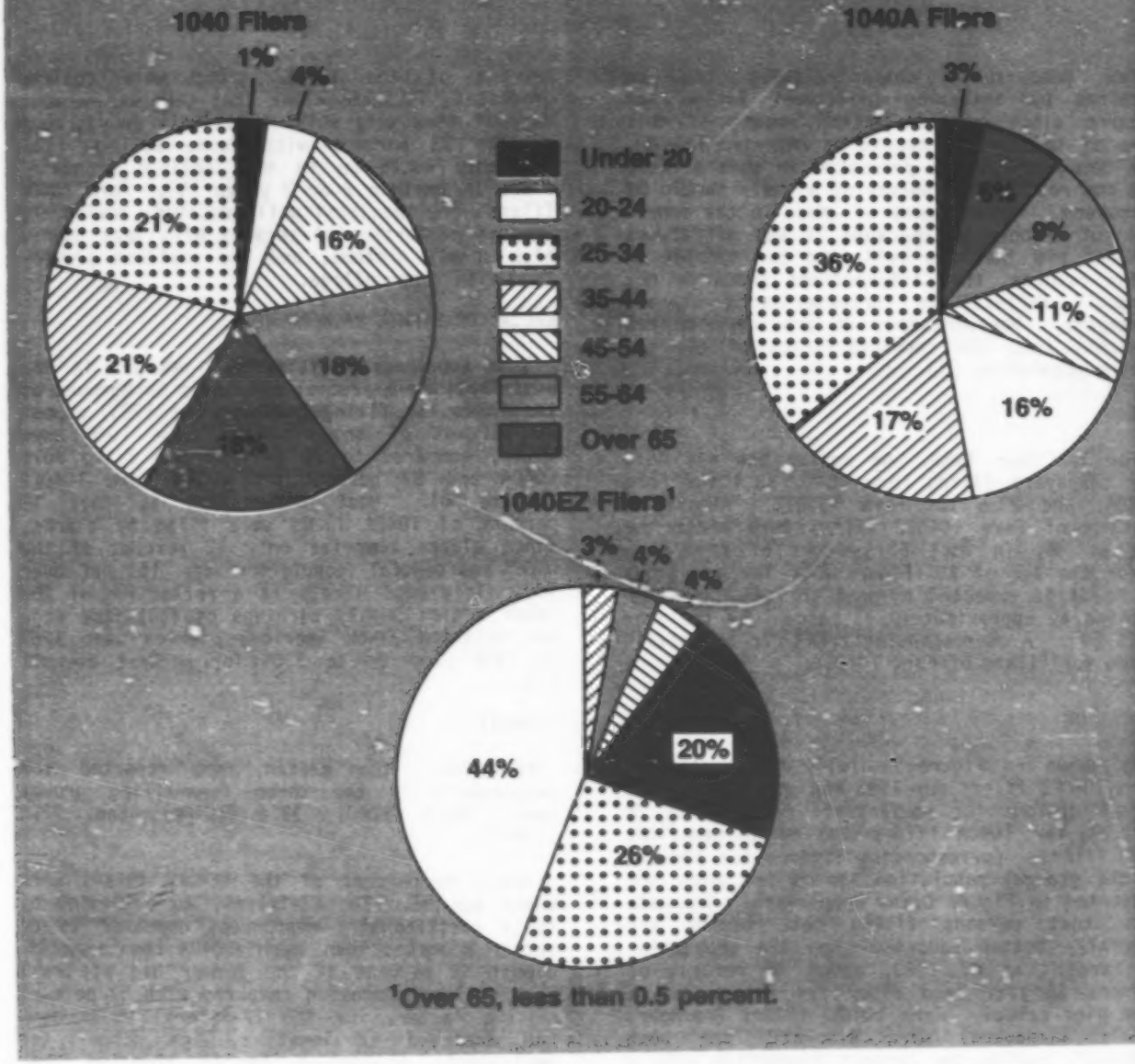
SUMMARY

For 1983, the median ages reported for respondents in the three form-filing groups were: 46.5 (1040); 33.4 (1040A); and, 23.5 (1040EZ).

About 90 percent of the 1040EZ filers were under age 35. The EZ-filers, as evidenced by their questionnaire responses, appeared to be better educated than their 1040A counterparts: almost 50 percent of the former had at least some college education compared with 32 percent of the latter. Of the EZ-filers, 90 percent had achieved at least a high school (or equivalent) diploma--a better standing than either of the other two groups.

*Projections and Forecasting Group and Resource Models and Special Studies Group, respectively, Research Division. Compiled and edited for publication by Bettye Jamerson, Coordination and Publications Staff, Statistics of Income Division. Prepared under the direction of Robert A. Wilson, Team Leader.

Figure A
Age of Respondents Who Filed Form 1040, 1040A or 1040EZ, 1983



[1]Over 65, less than 0.5 percent.

Figure B
Last Grade of School Completed by Respondents Who Filed Form 1040, 1040A, or 1040EZ, 1983

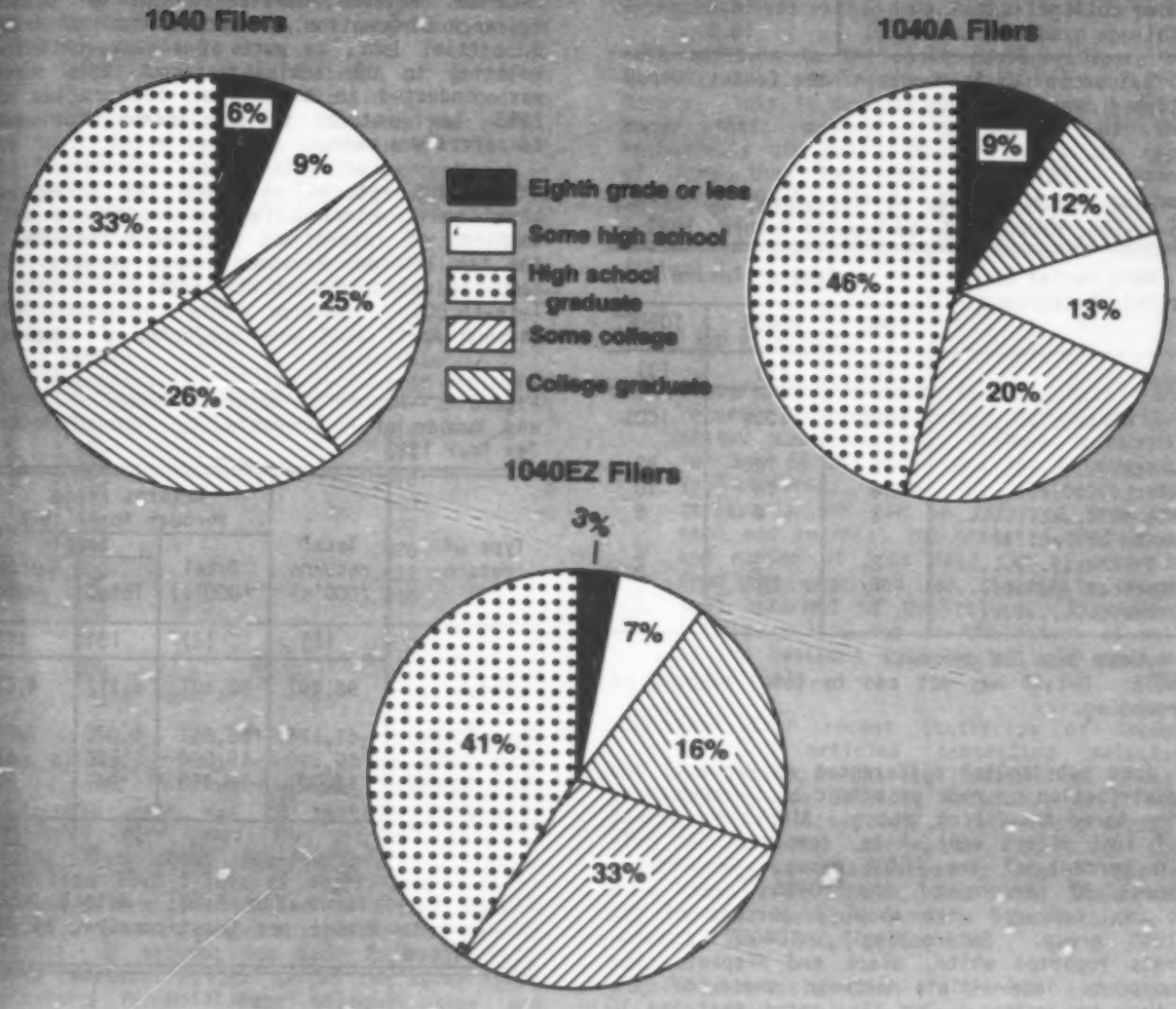


Figure C.--Last Grade of School Completed by Population Age 25 and Older, 1983 1/

Last grade of school completed	Percentage age 25 and older
Eighth grade or less.....	15.1%
Some high school.....	12.8
High school graduate.....	37.7
Some college.....	15.6
College graduate.....	18.8

1/Source: U. S. Bureau of the Census, unpublished data.

Figure D.--Percentage of Taxpayers, by Racial or Ethnic Background and Type of Return, 1983

Main racial or ethnic background	Type of Return		
	1040	1040A	1040EZ
	(1)	(2)	(3)
Total.....	100%	100%	100%
White.....	89	70	82
Black.....	4	19	10
Hispanic.....	3	6	5
Asian or Pacific Islands.....	2	2	2
American Indian....	1/	1	1
Other.....	1	1	1/

1/Less than 0.5 percent.
NOTE: Detail may not add to total because of rounding.

Some substantial differences appeared in the distribution by race or ethnic background among the three tax-filing groups. Almost 90 percent of 1040 filers were white, compared with only 70 percent of the 1040A group. Conversely, about 20 percent of the 1040A filers were black, compared with about 5 percent of the 1040 group. Interestingly, 1040EZ respondents reported white, black and Hispanic proportions intermediate between those of the other two groups. One also notes that the 10 percent black proportion of 1040EZ respondents closely approximates the black proportion of about 12 percent in the adult population.

DATA SOURCES AND LIMITATIONS

Data for this article were obtained from the approximately 4,000 respondents to a special survey. This survey used the same sample utilized for the 1983 Taxpayer Usage Study (TPUS), results of which have been previously published in the SOI Bulletin [8]. A total of 6,212 questionnaires were mailed to five groups of individual income taxpayers: those filing Form 1040 (joint returns), Form 1040 (nonjoi returns), Form 1040A (joint returns), For 1040A (nonjoint returns), and Form 1040E returns. The relationship between the sampl and the survey response to the questio covered by this article are shown in Figures and F.

The survey itself was conducted for th Internal Revenue Service (IRS) by Opinio Research Corporation, a subcontractor of Arthu D. Little, Inc., as part of a research effor relating to tax administration. This surve was conducted in the summer 1984, after th 1983 tax return filing season for mos taxpayers was over.

The TPUS returns on which the survey wa based were selected from a continuous dail sampling of returns as they were received i the ten Internal Revenue service centers. Th sampling was conducted at a designated rate o 1-in-15,000. Because only returns file through April 1984 were subjected to sampling

Figure E.--Number of Returns, Number in Sample and Number of Respondents, by Type of Retur Tax Year 1983

Type of return	Total returns (000's)	Returns filed through April 1984		
		Total (000's)	Sample	
			Total	Respond ents
	(1)	(2)	(3)	(4)
Total....	96,497	90,407	6,212	4,010
Form 1040...	61,186	55,853	4,072	2,840
Form 1040A..	19,590	19,094	1,195	651
Form 1040EZ.	15,721	15,462	945	519

Figure F.--Returns for 1983: Actual Numbe Compared to Number per Questionnaire, by Typ of Tax Form

Tax forms actually filed	Tax forms filed per questionnaire			Percentag differenc
	Total	Same as actual	Differ- ent from actual	
	(1)	(2)	(3)	(4)
Total.....	4,010	3,424	586	15%
Form 1040...	2,840	2,483	357	13
Form 1040A..	651	502	149	23
Form 1040EZ.	519	439	80	15

the TPUS estimates covered about 93 percent of the nearly 97.0 million returns that were filed for Tax Year 1983 during 1984.

The sample was random in that it was selected without regard to income or other stratification criteria. Therefore, only frequency estimates, or the percentages based on them, are provided and these are subject to sampling error. To use these frequencies (and therefore the percentages) properly, the magnitude of the potential sampling error of the frequencies needs to be known. Coefficients of variation (CV's) computed from the sample are used to measure the magnitude of the sampling error. The table below presents approximate CV's for the frequencies that underly the percentages in Figures A, B, and D. The approximate CV's shown are intended only as a general indication of the reliability of the data. For frequencies other than those shown below, the corresponding CV's can be estimated by interpolation.

Number of Responses	Approximate Coefficient of Variation
4,000	.016
3,500	.017
3,000	.018
2,500	.020
2,000	.022
1,500	.026
1,000	.032
800	.035
600	.041
400	.050
200	.071

The estimates are also subject to several types of nonsampling error. First, they were not adjusted for nonresponse. Overall, the nonresponse rate was 35 percent (generally considered very good for a mail survey), ranging from about one-fourth for jointly-filed Form 1040 filers to nearly one-half for nonjoint filers of 1040A and for filers of Form 1040EZ. Because of these variations in response, no attempt was made to create U.S. totals representing the sum of the three types of return forms. Also, although they are described as representing 1983, the estimates in fact represent only those taxpayers who filed through April 1984; thus, 7 percent of the tax filing population for 1983 is not represented.

Another aspect of nonsampling error is in having to assume, as the percentages imply, that both spouses on a joint return are in the same age group, attained the same educational level, or had the same racial or ethnic background [9]. If the data are assumed to represent just one of the spouses, it is usually assumed to be those for the husband. This is especially so because the IRS considers the taxpayer whose name appears first in the tax return mailing label on a joint return to be the "primary" taxpayer; usually this is the husband. However, from an analysis of the survey responses it would appear that a considerable number of wives filled out the questionnaire and that, for these respondents, the data reflected in the percentages may often represent wives rather than husbands.

In addition to the above considerations, it is clear that some respondents relied on faulty memory. This is brought out in Figure F which shows that, overall, 15 percent of the respondents did not correctly recall the type of form they had filed for 1983. Among "actual" 1040A filers, this figure reached almost one-quarter. (The demographic data, it should be emphasized, are based on actual filings.)

NOTES AND REFERENCES

[1] Demographic characteristics that are reported on the tax return include marital status and exemptions claimed (personal, for age 65 and over, and for blindness). In addition, place of residence and taxpayer's sex can be inferred from the name and address; and place of employment and number of jobs held can be obtained from the wage and tax statements (Forms W-2) attached to the return. Occupation is also called for on the return as well as the business activity of self-employed individuals.

[2] For other recent Statistics of Income Bulletin articles presenting selected demographic characteristics of taxpayers, see Bristol, Ralph B., Jr., "Age and Tax Filing, 1981," Fall 1985; Crabbe, Patricia A., and Gross, Elizabeth L., "Taxpayers Classified by Sex," Spring 1985; and Grayson, Paul E., "Male and Female Operated Nonfarm Proprietorships, Tax Year 1980," Spring 1983.

[3] This article is based on one previously released in U.S. Department of Treasury, Internal Revenue Service, Trend Analyses and Related Statistics: 1985 Update, February 1985, internal document.

[4] See U.S. Department of Commerce, Bureau of the Census, Projections of the Population of the United States, by Age, Sex, and Race: 1983 to 2080, 1984, Table 6.

[5] Bristol, op. cit., notes in his study for 1981 that teenagers (those under age 20) overwhelmingly made use of Form 1040A, and, in more recent years, of Form 1040EZ.

[6] U.S. Department of Commerce, Bureau of the Census, Current Population Report, series P-25, 1983.

[7] U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, 1983.

[8] See Riley, Dorothea, "Taxpayer Usage of Forms 1040, 1040A, and 1040EZ, 1983," Statistics of Income Bulletin, Summer 1984. See also, Grayson, Paul E., "Th Life Cycle of Individual Income Ta returns," Statistics of Income Bulletin Spring 1984.

[9] Riley, op. cit. For 1983, there wer 35.9 million out of 55.9 million For 1040 returns and 8.0 million out of 19. million Form 1040A returns that wer jointly filed.

Controlled Foreign Corporations, 1982: An Industry Focus

By Ronald Simenauer*

Controlled Foreign Corporations (CFC's) continued to play an important role in the world economy during 1982. The nearly 27,000 foreign corporations controlled by large U.S. multinational corporations generated pre-tax earnings and profits of $36.7 billion from business receipts of $648 billion [1]. Assets of these foreign subsidiaries amounted to more than $0.5 trillion and the foreign taxes they paid totaled $14.1 billion for 1982.

Stockholders of CFC's received more than 40 percent ($9.4 billion) of the $22.6 billion of after-tax earnings and profits as dividends. In addition, dividend payments totaling $4.8 billion were distributed from prior-year earnings and profits. The U.S. corporations with total assets of $250 million or more that controlled these CFC's received nearly 75 percent ($10.4 billion) of total dividend payments.

HISTORY OF THE CONTROLLED FOREIGN CORPORATION

Before World War II, most of the foreign affiliates of the relatively few U.S. multinational corporations were located in Canada and Europe and were involved primarily in manufacturing [2]. After World War II, corporations were encouraged to increase overseas investment for economic and political reasons. The Marshall Plan, for instance, was a program that extended economic aid to European countries (and increased exports by U.S. companies) to accelerate their recovery from the war. Western European nations and developing countries also attracted foreign investment through various commercial and industrial concessions.

Most of the U.S. exports and foreign investments came from large U.S. corporations [3]. Selling products overseas was frequently a prelude to foreign investment. Once a foreign market was explored and penetrated via exports, often the next step was to form a branch operation or subsidiary corporation. The former required establishing a place of business in a foreign country, while the latter required establishing legal residence through incorporation in the country.

The underlying reasons for foreign investment are a complex mixture of economic, political, financial, environmental and other factors. Some companies expect high rates of return as a result of lower production costs, while others base their decisions on sources of supply, marketing strategy, tax considerations or competitive position within an industry. Many are influenced by investment incentives and import duties of foreign governments [4]. U.S. tax law allows U.S. corporations to defer payment of U.S. tax on the unrepatriated earnings of foreign subsidiary corporations, with some exceptions ("Subpart F" income). This postponement of tax adds further impetus to the economic reasons for establishing foreign subsidiaries.

Before 1960, U.S. corporations were not required to file information on their foreign subsidiary corporations. Public Law 86-780 was passed in 1960 to obtain information on these foreign holdings. It required a domestic corporation (or other U.S. person) to furnish, as part of its tax return, information on any foreign subsidiary it directly controlled (i.e., a "tier-one" subsidiary) and any foreign subsidiary controlled by any directly-controlled foreign corporation (i.e., a "tier-two" foreign corporation) [5]. Control was defined as direct or indirect ownership of more than 50 percent of the combined voting power of all classes of stock or more than 50 percent of the total value of all shares of stock. These foreign corporations became known as Controlled Foreign Corporations (CFC's). In 1961, returns were filed for slightly more than 7,000 CFC's owned by nearly 1,700 U.S. parent corporations [6].

Retention of earnings and profits by foreign subsidiaries made it possible to defer U.S. income taxation indefinitely. More and more, subsidiaries were organized abroad, aided by arrangements between parent and subsidiary corporations to maximize accumulation of profits in low-tax countries for the purpose of reducing overall tax liability. Also, through an ordinary taxable liquidation, sale, or exchange of assets of a foreign subsidiary, it was possible to pay a tax at the lower capital

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

gains rate on repatriated income which would normally be taxed at the regular, higher rate for dividends, thus further reducing overall tax liability.

After World War II, the United States began running a balance-of-payments deficit (as computed by the U.S. Department of Commerce). The U.S. trade account surplus was being outweighed by a persistent capital and unilateral transfer accounts deficit. Direct foreign investment, one of the major items in the capital transfer account, represents a capital outflow or payment abroad. The unilateral transfer account includes U.S. Government grants, U.S. Government pensions, private remittances and other transfers.

In 1961, the Kennedy Administration pressed for the elimination of the tax deferral of unrepatriated earnings, in part to reduce the capital outflow and to increase foreign earnings remittances. The President secured from Congress a statute known as the Revenue Act of 1962. This Act placed restrictions on certain types of income previously eligible for tax deferral. It allowed for U.S. taxation of certain types of undistributed foreign earnings and profits [7]. Specifically, owners of Controlled Foreign Corporations were taxed on the undistributed earnings of foreign corporations to the extent that they represented income from the insurance of U.S. risks, "passive" [8] types of income in general, and income derived from certain types of sales and services. These types of income were referred to as "Subpart F income" and taxation of them was generally no longer deferred. Also, conversion of tax-deferred accumulated earnings and profits into capital gains was restricted in order to prevent regular income from being taxed at the lower, capital gains rate.

The 1962 Act redefined the term Controlled Foreign Corporation. Foreign corporations were considered controlled if more than 50 percent of the voting stock of the foreign corporation was owned by U.S. shareholders, each having at least a 10 percent interest. All such foreign corporation's undistributed earnings and profits could then be subject to taxation through their U.S. shareholders under Subpart F.

The 1962 Act also expanded the filing requirements for CFC's to include all lower tiers of foreign corporations controlled by the U.S. corporation or any other U.S. person [9].

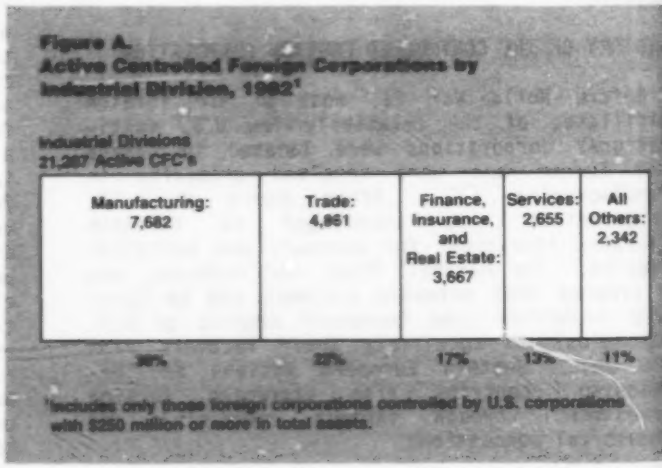
The Tax Reduction Act of 1975 expanded the definition of Subpart F income. An exception permitting tax deferral for a portion of Subpart F income reinvested in tax-defined "less-developed countries" was repealed for parent corporation accounting periods beginning in 1976. Also, before the 1975 Act, no income was treated as Subpart F if it accounted for 30 percent or less of CFC gross income. This percentage was reduced to 10 percent, limiting the amount of income that could avoid treatment under Subpart F. Finally, some types of shipping income received by foreign subsidiaries of U.S. corporations, which were previously excluded from Subpart F income, were now included. As a result of these and other actions, the tax deferral privileges of CFC's were significantly reduced [10].

INDUSTRIAL ACTIVITY OF CONTROLLED FOREIGN CORPORATIONS

An Overview

There were 21,207 foreign corporations actively involved in business operations during 1982 that were controlled by U.S. "giant" corporations [11]. As shown in Figure A, manufacturing (7,682 CFC's); trade (4,861); finance, insurance, and real estate (3,667); and services (2,655) were the principal business activities of most CFC's. These particular foreign subsidiaries accounted for nearly 90 percent of active CFC's, 84 percent of all current net earnings and profits before taxes, 77 percent of all foreign taxes paid by CFC's, and almost 84 percent of the total distributions made to stockholders [12].

Figure A.
Active Controlled Foreign Corporations by Industrial Division, 1982[1]



[1]Includes only those foreign corporations controlled by U.S. corporations with $250 million or more in total assets.

Manufacturing CFC's were most frequently involved in producing chemicals, machinery, and electronic equipment, accounting for almost 50 percent of all manufacturing CFC's and nearly 40 percent of their total assets.

Examining the trade industry, it can be seen that wholesaling was the dominant activity for 4,053 CFC's. These wholesaling CFC's accounted for more than 85 percent of all trade CFC's and over 85 percent of total trade assets.

More than 50 percent of all CFC's in service industries were involved in business services. As such, these corporations' total assets

($12.5 billion) made up over 50 percent of total assets for all CFC's in service industries.

Finally, CFC's principally engaged in financial activities accounted for more than 60 percent of all the CFC's in the finance, insurance, and real estate industrial division. Holding and investment CFC's (1,189), accounted for 32 percent of all finance, insurance, and real estate subsidiaries, and 27 percent of their assets. Investment companies generally manage a portfolio of security investments (with little participation in the management of the companies), while holding companies manage the companies they control and act as conduits for the financial transactions between these companies and other corporations. These two types of CFC's distributed $1.6 billion of the total $2.5 billion in dividends paid by all finance, insurance and real estate CFC's for 1982.

Recent CFC Incorporations

The following table shows the number of CFC's and their 1982 total assets by their year of incorporation. Included in the table are 950 CFC's with assets of $12.4 billion that were incorporated in 1982 by U.S. giant corporations. The total number of CFC's incorporated in 1982 was actually somewhat larger, because under the filing requirements, CFC's incorporated during 1982 with accounting periods ending after the close of the U.S. parent's accounting period are not included in these statistics. Nevertheless, these figures appear to show a reverse in the trend of yearly increases of CFC incorporations in recent years. This slowdown in new incorporations may in part be attributable to the 1982 worldwide recession.

Year of incorporation	Number of CFC's	Total assets (millions) 1/
All years, total	26,993	$557,209
1982	950	12,417
1981	1,753	26,270
1980	1,238	22,644
1979	1,161	18,897
1978	1,043	14,698
1977	881	15,743
1976	781	7,137
1975	833	6,385
Pre-1975	18,351	433,017

1/ Total assets are expressed in 1982 dollars. They represent total dollar amounts of assets as of 1982 and not total assets during the year of incorporation.

The 950 CFC's incorporated during 1982 are listed by industrial division in the following table. Nearly 290 of these CFC's were inactive for 1982. Of all active CFC's, the finance, insurance, and real estate division accounted for the largest number, with 192 incorporations and $7.7 billion in assets. One division, mining, showed 29 new incorporations generating losses of about $8 million. All other industries showed net profits for their newly incorporated CFC's.

1982 CFC Incorporations

Selected industrial divisions	Number of CFC incorporations	Total assets (millions)	Earnings and profits before taxes (millions)
All industries.	950	$12,417	$193
Mining.....	29	190	-8
Construction...	9	5	1/
Manufacturing..	157	1,526	45
Transportation and public utilities.....	29	282	3
Wholesale and retail trade..	143	747	7
Finance, insurance and real estate...	192	7,729	133
Services.....	89	1,427	10
Inactive.....	287	485	-

1/ Less than $500,000

Figure B shows that, as of 1982, approximately one third of all CFC's were incorporated after 1974. Collectively, these CFC's accounted for over 20 percent of total CFC assets for 1982. Thus, newly incorporated CFC's tended, as might be expected, to be smaller than existing corporations.

It is interesting to note which industries experienced the most growth through new CFC incorporations. For instance, 53 percent of CFC's in oil and gas extraction, 50 percent of CFC's involved in insurance, 48 percent of CFC's functioning as credit agencies (other than banks), 41 percent of CFC's classified in water transportation, and 40 percent of CFC's acting as holding and investment companies were incorporated after 1974. Thus, relative to other industrial activities, these industries appear to have been the most active since 1974.

The asset levels of the new corporations in these industries tended to be more variable. For instance, post-1974 incorporations accounted for only 19 percent of the total assets of CFC's in the insurance industry, but accounted for 50 percent of total assets of CFC's in oil and gas extraction.

Although the amount of U.S. investment in CFC's engaged in manufacturing was substantial, the rate of foreign investment after 1974 was

Figure B.

All Controlled Foreign Corporations Compared to Controlled Foreign Corporations Incorporated after 1974, by Selected Industry, 1982 1/

[Money amounts are in millions of dollars]

CFC selected industry	Total number of CFC's	Total CFC assets 2/	CFC's incorporated after 1974			
			Number	Total assets 2/	Percentage	
					Total number	Tot asse
	(1)	(2)	(3)	(4)	(5)	(6)
All industries 3/	26,993	$557,209	8,642	$124,192	32%	22
Agriculture, forestry and fishing	174	702	45	81	26	12
Mining	792	26,356	385	11,944	49	45
Metal mining	181	3,965	71	1,218	39	31
Oil and gas extraction	563	21,272	300	10,558	53	50
Construction	358	5,891	128	822	36	14
Manufacturing	7,682	215,671	1,755	28,820	23	13
Food and kindred products	731	14,321	147	2,121	20	15
Chemical and allied products	1,856	38,718	349	3,546	19	09
Petroleum and coal products	141	34,834	34	8,099	24	23
Primary metal industries	148	3,403	27	182	18	05
Machinery, except electrical	744	13,442	187	1,481	25	11
Electrical equipment	1,036	33,349	289	3,717	28	11
Motor vehicles and equipment	287	30,392	79	2,896	28	10
Instruments and related products	315	6,714	102	660	32	10
Transportation and public utilities	730	20,506	266	4,009	36	20
Water transportation	394	10,357	160	1,661	41	16
Wholesale and retail trade	4,861	83,027	1,485	9,248	31	11
Finance, insurance, and real estate	3,667	179,497	1,524	59,982	42	33
Banking	246	46,147	86	9,368	35	20
Credit agencies other than banks	673	51,596	322	23,509	48	46
Insurance carriers	504	23,009	253	4,460	50	19
Holding and other investment companies	1,189	47,911	472	16,766	40	35
Services	2,655	21,903	1,008	7,721	38	35

1/Includes only those foreign corporations controlled by U.S. corporations with $250 million or more in total assets.
2/Assets represent amounts for Tax Year 1982.
3/Includes "Nature of business not allocable" and inactive CFC's, which are not shown separately.

considerably lower than the rate of investment in CFC's engaged in financial and insurance activities and in mining. While only 23 percent of manufacturing CFC's were incorporated after 1974, the rate of growth of new companies involved in food and kindred products, chemicals, and primary metals was particularly slow. Asset figures tend to confirm this trend. Both the mining and the finance and insurance industries show large rates of asset increases (45 percent and 32 percent, respectively) resulting from incorporations after 1974, whereas the rate of asset increases resulting from new incorporations in the manufacturing industries was comparatively sluggish (13 percent).

RELATIVE PROFITABILITY OF CONTROLLED FOREIG CORPORATIONS AND THEIR U.S. PARENT CORPORATIONS

For the purpose of this analysis, profitability was measured by the ratio of earnings and profits or net income (both before taxes) to total assets [13]. According to U.S. parent tax returns, both U.S. corporations and their CFC's were less profitable in 1982 than in 1980. Overall, CFC's realized a profit margin of less than 7 percent for 1982 compared with

more vigorous 9.3 percent for 1980. Similarly, U.S. parent corporations' profitability fell to 2.0 percent in 1982 from 3.9 percent in 1980 [14]. As can be noted, the profitability of CFC's was higher than that of their parents in both 1980 and 1982.

Figure C shows a comparison between profit margins of CFC's and U.S. parent corporations for selected industries. In the aggregate, manufacturing CFC's were more profitable than U.S. parent corporations. Particularly noteworthy was the electrical and electronics industry, where the CFC and U.S. parent profit margins were 14.0 percent and 2.9 percent, respectively. The mining industry showed similar results. The CFC and U.S. parent profit margins were, respectively, 18.1 percent and 2.7 percent. The relatively high profitability of CFC's in mining could be attributed largely to those involved in the Organization of Petroleum Exporting Countries (OPEC) and North Sea oil and gas extraction [15].

CFC's involved in water transportation and agriculture, forestry, and fishing were less profitable than U.S. parent corporations in those industries. The water transportation industry had an especially poor year with profit-to-asset ratios of negative 3.2 percent for CFC's and negative 0.9 percent for U.S. parent corporations. The water transportation industry, which reported substantial profits during the 1970's, encountered difficulties during the early 1980's. Many developing countries established significant shipbuilding industries during the 1970's, increasing the world supply of ships and outstripping demand. At the same time, oil discoveries in the North Sea and Mexico effectively shortened the distance between source and destination for many oil shipments, adding further impetus to the ebb in shipping rates [16].

The profit margin for U.S. parent corporations and CFC's in agriculture, forestry and fishing were 5.3 percent and 1.4 percent, respectively. The relatively high profit margin of the particular U.S. corporations was largely attributable to the increased profitability of seed hybridization, while the low CFC profitability was due largely to losses incurred by Liberian CFC's operating rubber plantations. Most Liberian rubber was used in the U.S. motor vehicle industry, so the lack of demand for motor vehicles during the 1982 recession resulted in a fall in demand for Liberian rubber [17].

U.S. parent corporations involved in the manufacture of primary metals and transportation equipment (excluding motor vehicles) showed losses, while CFC's involved in the same industries reported profits. According to the Bureau of Labor Statistics, U.S. manufacturers of durable goods (e.g., primary metals, transportation equipment, and fabricated metals) were the most adversely affected by the 1980-82 recession. U.S. parent corporations involved in the manufacture of ferrous metals incurred a major portion of the losses of the primary metals industry. Reasons for these losses included foreign competition and high production costs.

TRANSACTIONS OF CONTROLLED FOREIGN CORPORATIONS AND THE U.S. BALANCE OF PAYMENTS

U.S. investment abroad via CFC's influences the U.S. balance of payments, as do transactions between U.S. affiliated groups and their CFC's (e.g., sales or purchases of stock in trade and amounts borrowed or loaned).

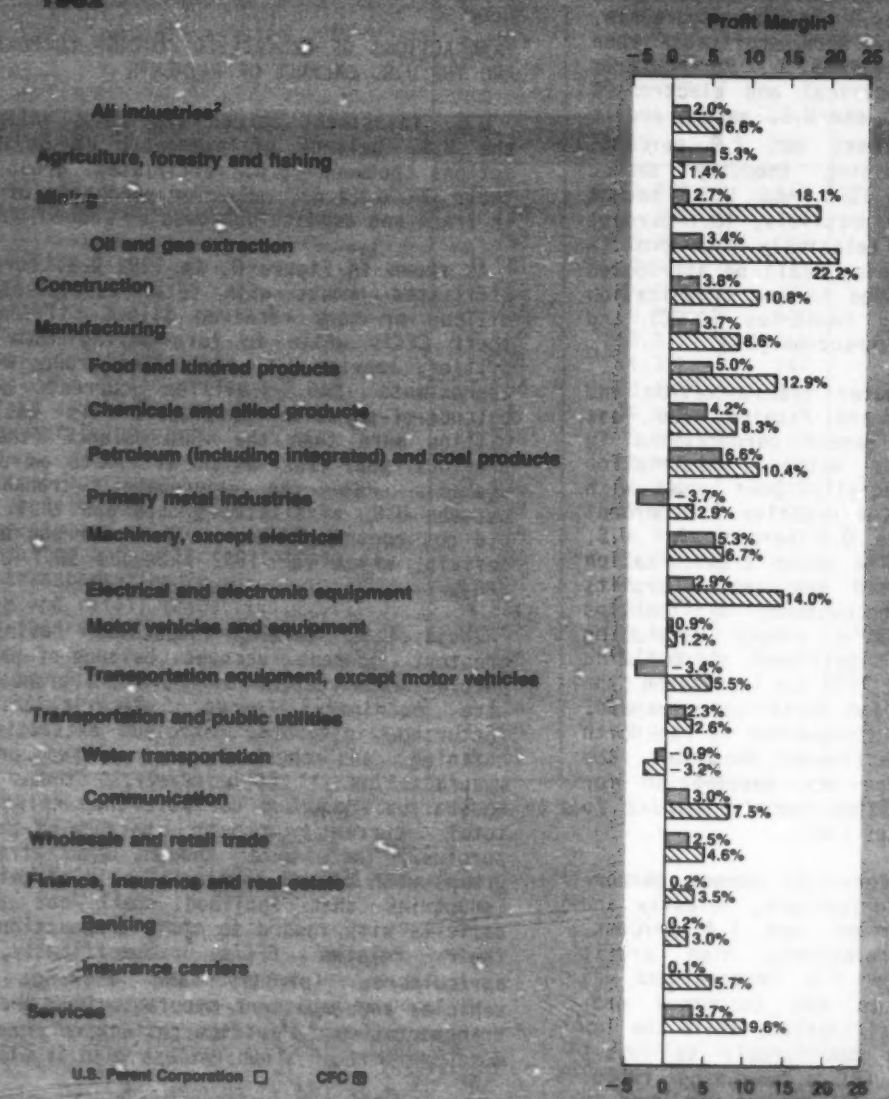
As shown in Figure D, in 1982 U.S. corporate affiliated groups with total assets of $250 million or more received $116.5 billion from their CFC's while in turn paying them $70.0 billion, leaving U.S. affiliated groups with an approximate $46.5 billion current account balance-of-payments surplus. This was $9.6 billion more than the 1980 balance (the last previous year for which CFC data were tabulated). In the aggregate, transactions between U.S. affiliated groups and their CFC's did not contribute to the U.S. current account deficit, which for 1982 exceeded $8.1 billion [18].

Those U.S. parent industries having the greatest current account balance-of-payments surplus with respect to their CFC transactions were machinery (except electrical) manufacturing, integrated petroleum extraction and refining, and chemicals and allied products manufacturing. Collectively, these U.S. industries accounted for more than half of the total current account balance-of-payments surplus. There were, though, U.S. affiliated groups with parent corporations in certain U.S. industries that realized small net payment deficits with regard to their transactions with their related CFC's. Specifically, the agriculture, forestry and fishing; motor vehicles and equipment manufacturing; and water transportation industries collectively reported a net deficit of slightly less than $1 billion.

Transactions of Controlled Foreign Corporations

The transactions shown in Figure E between CFC's and their U.S. affiliated groups [19] were substantially greater in dollar amounts than the transactions between related CFC's. In 1982, CFC's received nearly $108 billion, over $70 billion from their U.S. affiliated groups and over $37 billion from related CFC's. In turn, CFC's made $151 billion in payments, $116 billion to their U.S. affiliated groups and $35 billion to related CFC's.

Figure C.
Relative Profit Margins of Large U.S. Multinational Corporations and Their CFC's by Selected Industry, 1982[1]



[1] U.S. parent corporations were classified in the industry that generated the greatest portion of their total receipts. CFC's were classified on the basis of their own business activity, and not on the basis of their U.S. parent's business activity.
[2] Includes CFC business activity "Nature of business not allocable," which is not shown separately.
[3] The CFC profit margin is defined as the ratio of earnings and profits before taxes to total assets. The U.S. parent profit margin is defined as the ratio of net income before tax to total assets.

Figure D.

Receipts, Payments, and Transaction Balance Between Controlled Foreign Corporations and Their U.S. Parent Groups, by Selected Industry of U.S. Parent Corporation, 1982

[Money amounts in millions of dollars]

U.S. selected industry	CFC receipts	CFC payments	Balance
	(1)	(2)	(3)
All industries 1/	$69,967	$116,476	$46,509
Agriculture, forestry and fishing	28	19	-9
Mining	417	2,012	1,595
Oil and gas extraction	401	1,939	1,538
Construction	98	337	239
Manufacturing	58,540	92,648	34,108
Food and kindred products	1,289	2,695	1,406
Chemicals and allied products	3,516	11,049	7,533
Petroleum (including integrated) and coal products	27,513	35,497	7,984
Primary metal industries	1,400	1,519	119
Machinery, except electric	4,107	13,365	9,258
Electrical and electronic equipment	12,601	11,659	-942
Transportation and public utilities	2,071	3,235	1,164
Water transportation	12	2	-10
Wholesale and retail trade	2,228	7,311	5,083
Finance, insurance, and real estate	6,386	10,280	3,894
Banking	4,666	7,887	3,221
Insurance carriers	556	970	414
Services	200	634	434

1/Includes "Nature of business not allocable," which is not shown separately.
NOTE: CFC receipts and payments include receipts from and payments to U.S. parent corporations and their domestic subsidiaries whose corporate tax returns reported $250 million or more in total assets.

Purchases of stock in trade (i.e., purchases of merchandise in the ordinary course of trade or business) by CFC's from affiliated groups and related foreign companies accounted for more than the combined total of funds loaned, compensation paid for services, dividends, and other payments. CFC's purchased $70.1 billion in stock in trade from their U.S. affiliated groups and $12.2 billion in stock and trade from related Controlled Foreign Corporations. The remaining $69.2 billion of CFC payments went to related parties for all other transactions.

The significance of purchases from U.S. affiliated groups can be especially appreciated when their dollar value is compared with the dollar value of total U.S. exports for 1982. The CFC's purchases of stock in trade ($70.1 billion) accounted for about one third of total U.S. exports ($212.3 billion) [20].

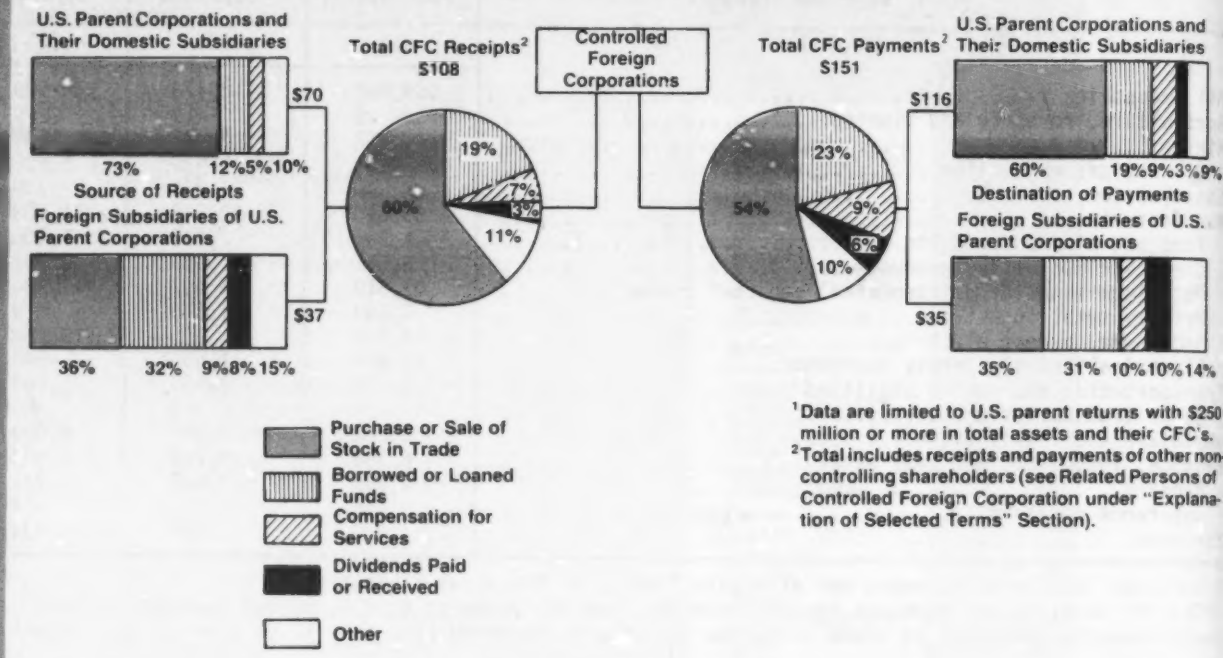
Sales of stock in trade totaling $64.5 billion, $50.9 billion of which were to related U.S. corporations, accounted for 60 percent of total CFC receipts. This amounted to more than one fifth of the $244.0 billion in U.S. imports [21].

Borrowed and loaned funds were the second largest type of transaction, accounting for 19 percent of total CFC receipts and 22 percent of total CFC payments. It is interesting to note, however, that borrowed and loaned funds were a much more dominant transaction between related CFC's than between CFC's and U.S. affiliated groups. The CFC borrowings from related Controlled Foreign Corporations were 32 percent of total receipts from related CFC's, and CFC loans to related CFC's made up 31 percent of all payments to related CFC's [22]. These percentages are significantly higher than those for loan transactions between CFC's and their U.S. affiliated groups.

Further analysis shows that CFC's tended to turn to related financial CFC's for funds. Specifically, 41 percent ($4.4 billion out of $10.8 billion) of all loans between related CFC's were extended by corporations involved in finance. A significant portion (46 percent) of these loans originated in the Netherlands Antilles, Bermuda, and Switzerland [23].

Dividends paid by CFC's to all related corporations amounted to $13.8 billion, $10.4 billion of which were remitted to U.S. affil-

Figure E.
Flow of Receipts and Payments Between Controlled Foreign Corporations and Related Corporations, 1982
(Percent of Total and Billions of Dollars)[1]



[1]Data are limited to U.S. parent returns with $250 million or more in total assets and their CFC's.
[2]Total includes receipts and payments of other non-controlling shareholders (see Related Persons of Controlled Foreign Corporation under "Explanation of Selected Terms" Section).

iated groups. The amount of dividends paid was partly dictated by the dividend policy prescribed by the U.S. parent corporations and by the U.S. corporations' foreign tax credit position [24].

SUMMARY

A large portion of the international operations of large U.S. multinational corporations is conducted through Controlled Foreign Corporations. For 1982, these U.S. multinationals controlled nearly 27,000 CFC's. Their foreign subsidiaries generated pre-tax earnings and profits of almost $37 billion from business receipts of nearly $650 billion. U.S. corporations that controlled CFC's received from them more than $10 billion in dividend payments.

Of the more than 21,000 CFC's actively involved in business operations in 1982, nearly 60 percent were engaged in manufacturing or trade-related activities. After 1975 though, there was a shift in CFC incorporations toward the finance, insurance, oil and gas extraction, and water transportation industries.

In the aggregate, Controlled Foreign Corporations tended to have higher profit margins than their U.S. parent corporations. CFC's achieved an almost 7.0 percent profit margin, whereas the profit margin for their U.S. parent corporations was a more modest 2.0 percent.

Although the U.S. current account balance-of-payments deficit exceeded $8.1 billion for 1982, transactions between U.S. affiliated groups and their CFC's resulted in a current account surplus of $46.5 billion. The predominant transactions between CFC's and U.S. affiliated groups were sales and purchases of stock in trade. These transactions accounted for about 33 percent of total U.S. exports and 21 percent of total U.S. imports in 1982.

DATA SOURCES AND LIMITATIONS

Data Sources

The statistics in this article were derived from all U.S. corporation returns with total assets of $250 million or more, accounting periods ended July 1982 through June 1983, and

attached Form(s) 2952 (Information Return with Respect to Controlled Foreign Corporations) or Form(s) 5471 (Information Return with Respect to a Foreign Corporation).

Sampling variability (i.e., the degree to which statistics based on a sample differ from similar data based on a complete count or census) was not a factor in this study, since returns were selected at a rate of 100 percent and thus equaled the complete census.

Limitations

Not all of the information regarding CFC transactions is available from Statistics of Income data. However, total business receipts, earnings and profits, and foreign taxes and transactions between CFC's and related parties (U.S. parent corporations and their domestic and foreign subsidiaries) are reported as part of the parent corporation's U.S. income tax return and included in this article.

U.S. parent corporations were classified by the principal business activity reported on Form 1120 (U.S. Corporation Income Tax Return). Many returns were filed by diversified corporations, and therefore included significant receipts, profits, and other items related to activities other than the principal business activity.

Controlled Foreign Corporations were also classified by their principal business activity as reported on Form 2952 or Form 5471. As such, certain receipts, profits, and transaction items may have been related to secondary business activities. It is not possible to measure the extent of these secondary operations.

About 50 U.S. corporations filed consolidated Forms 2952 or 5471 with aggregated data for several foreign companies. Follow-up requests were made in cases where large money amounts were reported in an attempt to obtain the CFC information on a disaggregated basis. More than 90 percent of these requests were successful.

In some cases, sufficient detail was not provided to indicate by whom the CFC was directly controlled (i.e., by a domestic or a foreign parent). Data for these CFC's were corrected by using the transactions reported with related corporations to determine the recipient of any dividends. If this information was not conclusive, a previous-year record of the CFC or other reference material was used to determine the ownership.

Time Covered

The 1982 data are based on returns filed by U.S. corporations with full-year accounting periods ending between July 1982 and June 1983. Generally, part-year returns were deleted from the sample. According to IRS regulations, a U.S. corporation had to submit Forms 2952 or 5471 for any Controlled Foreign Corporation with an accounting period ending with or within the U.S. parent's accounting period. Therefore, CFC accounting periods may have ended as early as August 1981 (and, thus, began in September 1980) or as late as June 1983. However, most CFC activity did occur in Calendar Year 1982.

EXPLANATION OF SELECTED TERMS

Business Receipts of Controlled Foreign Corporations.--Business receipts were, in general, gross receipts or gross sales less returns and allowances reported for CFC's on Forms 2952 or 5471. In the finance, insurance, and real estate industries, business receipts were generally the total income or receipts of the CFC and may have included other types of income such as interest, rents, royalties and other investment income. This definition differs from that used for the business receipts statistics for domestic corporations which excludes investment income.

Current Earnings and Profits of Controlled Foreign Corporations.--This item represents the difference between the accumulated beginning and ending year balances of earnings and profits available for distribution to the stockholders. In this report, pre-tax current earnings and profits are shown. The earnings and profits of a foreign corporation must be calculated under U.S. accounting standards, as required by Internal Revenue regulations.

Distributions of Controlled Foreign Corporations.--The distributions of CFC's consisted of dividends paid, capital gains distributions, and distributions paid out of capital (including capital stock, paid-in capital, and capital surplus). Liquidating dividends may have also been included.

Foreign Income Taxes Paid by Controlled Foreign Corporations.--These were foreign income, war profits, and excess profits taxes paid or accrued by CFC's to foreign countries or U.S. possessions (including Puerto Rico). Also included were taxes imposed by other countries (including the United States) in cases in which the CFC had business operations in countries other than the one in which it was incorporated.

Inactive Controlled Foreign Corporations.--Inactive Controlled Foreign Corporations were those that reported no income, deductions, or foreign income taxes paid, but which may have reported dividends paid out of prior-year earnings and profits. These dividends, plus the total assets of these CFC's, are included in the statistics.

Includible Income of Controlled Foreign Corporations.--This income represents mostly Subpart F income (described below), and was taxed to U.S. shareholders even though it was only constructively received by them. A more complete definition of Subpart F income can be found in footnote [10] of this article.

Related Persons of Controlled Foreign Corporations.--Five categories of related persons of CFC's were shown on Forms 2952 or 5471 for the purpose of reporting transactions. They were the U.S. corporation filing the return, a domestic corporation controlled by the U.S. corporation filing the return, a foreign corporation controlled by the U.S. corporation filing the return, a 10-percent-or-more U.S. shareholder of the CFC (other than the controlling shareholder), and a 10-percent-or-more U.S. shareholder of the U.S. corporation filing the return.

Sales and Purchases of Stock in Trade.--These were sales and purchases of merchandise in the ordinary course of trade or business. These items were reported as transactions for the five categories previously described under "Related Persons of Controlled Foreign Corporations."

Subpart F Income.--Subpart F provisions of the Internal Revenue Service Code (section 952) allowed the United States to tax U.S. shareholders on certain types of income that, although undistributed to them, were deemed to have been distributed and thereby taxable, generally at the same rate(s) as dividends. Subpart F income included income from the insurance and reinsurance of U.S. risks, "foreign base company income," boycott participation income, and illegal bribes and kickbacks (for further explanation, see footnote [10]).

Transactions of Controlled Foreign Corporations.--Controlled Foreign Corporation transactions were reported on Forms 2952 or 5471 for five categories of related persons (described previously under "Related Persons of Controlled Foreign Corporations") which dealt with the CFC's. The transactions shown include receipts and payments for such items as stock in trade, dividends, amounts borrowed or loaned, rents and royalties, commissions, services rendered, interest, insurance premiums, and property rights.

NOTES AND REFERENCES

[1] For purposes of this study, only foreign corporations controlled by U.S. corporations having $250 million or more in total assets have been included in the data.

[2] Heller, Kenneth, The Impact of U.S. Taxation on the Financing and Earnings Remittance Decisions of U.S.-based Multinational Firms with Controlled Foreign Corporations, Arno Press, 1980, pp. 2-3.

[3] Ibid.

[4] Ibid.

[5] Historically, this information was filed on Forms 2952, Information Return with Respect to Controlled Foreign Corporations. In 1983, Form 5471, Information Return with Respect to a Foreign Corporation, was introduced as a replacement for the Form 2952. As a result, the statistics in this article include data from both forms. However, the Form 2952 was by far the most prevalent form filed for Tax Year 1982.

[6] These estimates were based on an unpublished Internal Revenue Service study of 1961 corporation income tax returns with Forms 2952 attached.

[7] Book earnings of CFC's were required to be adjusted to comply with the U.S. tax concept of earnings and profits as specified by Internal Revenue regulations. An early study concluded that although substantial differences in accounting practices existed among countries, there were even greater variations among countries in the types of taxes and methods of taxation used. See Harmon, Murl D., "Calculating Earnings and Profits for Foreign Subsidiaries: Background and Some Actual Results Showing Differences Among Countries," Taxes--The Tax Magazine, July 1973.

[8] Passive types of income include such receipts as interest, dividends and certain types of rents and royalties.

[9] Control by the U.S. corporation was extended to lower-tier foreign corporations through a chain of control. Namely, the U.S. corporation owned more than 50 percent of a foreign corporation (first-tier) which, in turn, owned more than 50 percent of a second-tier foreign corporation, which, in turn, owned more than 50 percent of a third tier corporation, and so forth. Forms 2952 had to be filed for each of these foreign corporations. Additionally, it was not necessary that a foreign corporation be controlled by a U.S. parent corporation. Rather, a foreign company controlled by any U.S. person was subject to these revised filing requirements.

[10] More recent amendments to the Internal Revenue Code redefined Subpart F income.

In total, Subpart F included: income derived from the insurance of U.S. risks; international boycott income; illegal bribes, kickbacks, or other payments to a government official; and "foreign base company income" (i.e., income from a foreign Personal Holding Company and certain types of sales, service, shipping and oil-related income from a foreign base company). Also includible as income from CFC's were previously excluded Subpart F income withdrawn from qualified investments in tax defined less developed countries, previously excluded Subpart F income withdrawn from foreign base company shipping operations, and increases in foreign corporations' earnings invested in U.S. property.

[1] Subsequent use of the term "U.S. giant corporations" refers to U.S. corporations with $250 million or more in total assets.

[2] Additional data, including assets, are shown in the tables at the end of this article.

[3] For purposes of this analysis, a CFC's profit margin is defined as the ratio of earnings and profits before taxes to total assets (see also footnote 7). Net income (before taxes), i.e. net income computed under provisions of the Internal Revenue Code, is used in place of earnings and profits for purposes of computing the U.S. parent corporation's profit margin. To the extent that the concept of earnings and profits differs from that of net income, the comparison of CFC profit margins to U.S. parent corporation profit margins is limited. Profit margin is also known as the earnings power percentage. It is considered a good measurement of profitability because it relates a company's profits to the amount of assets a company has at its disposal. This measurement replaces the ratio of earnings and profits before taxes (net income before taxes for U.S. parent corporations) to business receipts which was used in the article, "Controlled Foreign Corporations, 1980," Statistics of Income Bulletin, Spring 1984, Vol. 3, No. 4, pp. 38-39. Under that method, U.S. parent corporations with $250 million or more in total assets realized a profit margin of 3.5 percent as compared to 5.8 percent for 1980, and their CFC's realized a profit margin of about 5.7 percent as compared to 6.8 percent for 1980.

[4] Although the 1980 Controlled Foreign Corporation statistics include all U.S. parent corporations (regardless of size of assets) and their CFC's, the 1980 profitability statistics shown in this article were based only on those U.S. parent corporations with $250 million or more in assets and their CFC's. For additional 1980 statistics see Gianelos, Arthur and Sutton, William, "Controlled Foreign Corporations, 1980," Statistics of Income Bulletin, Spring 1984, Vol. 3, No. 4, pp. 37-57.

[15] According to CFC statistics, the earnings and profits to assets ratio was considerably higher for oil-related companies incorporated in the United Kingdom, Norway and OPEC countries than in other oil producing countries (Mexico, Canada, etc.).

[16] Willoughby, Jack, "Shipwreck," Forbes, July 29, 1985, p. 116.

[17] Blackburn, Peter, "Brighter Outlook for Liberian Rubber," Financial Times, May 11, 1983, p. 35.

[18] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, June 1985, p. 41. The current account is defined as exports of goods and services minus both imports of goods and services and net unilateral transfers (excluding military grants of goods and services).

[19] For the purpose of this article, the U.S. affiliated group is defined as the U.S. parent corporation and its domestic subsidiaries.

[20] U.S. export and import data are from the U.S. Department of Commerce, Bureau of the Census, Highlights of U.S. Export and Import Trade, March 1983, p. 25. Data from this source are based on the 1982 calendar year, while CFC data are based on accounting periods of U.S. parent corporations ended July 1982 through June 1983.

[21] Ibid.

[22] The total dollar value and percentages of receipts and payments between related CFC's are comparable but not identical due to differing CFC accounting periods. For example, $11.8 billion (32 percent of receipts from related CFC's) were borrowed from related CFC's, while CFC's extended only $10.8 billion in loans to related CFC's (31 percent of payments to CFC's). In this instance there is a $1 billion excess of borrowings over loans which is attributable to the nonuniformity of related CFC accounting periods. Specifically, $1 billion (net) were loaned by CFC's whose accounting periods ended outside the 1982 study to CFC's whose accounting periods fell within the criterion for the study.

[23] There will be an article in the Winter 1986-87 issue of the Statistics of Income Bulletin presenting geographically classified Controlled Foreign Corporation data for Tax Year 1982.

[24] For further information, see "Corporate Foreign Tax Credit, 1982: An Industry Focus" in the Spring 1986 Statistics of Income Bulletin.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Their Controlled Foreign Corporations, by Major Industry and Size of Total Assets of U.S. Corporation Filing the Return

[Money amounts are in thousands of dollars]

Major industry and size of total assets of U.S. corporations filing return	U.S. Corporations										
	Number of returns	Total assets	Total receipts	Business receipts	Total dividends received from foreign corporations	Includible income of Controlled Foreign Corporations filing Form 2952 (Form 3646)	Total deductions	Net income (less deficit)	U.S. income tax before credits	Total credits	U.S. income tax after credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All industries, total	1,004	4,198,723,444	2,770,109,530	2,443,578,944	12,867,055	4,466,138	2,701,398,466	85,748,078	47,476,147	29,201,362	18,268,785
$250,000,000 under $500,000,000	269	103,472,660	130,203,382	123,317,980	410,153	73,144	126,631,150	3,872,280	2,362,030	792,034	1,569,996
$500,000,000 under $1,000,000,000	208	151,026,296	194,886,934	185,096,544	703,310	231,801	190,525,878	4,927,691	3,236,876	1,279,248	1,957,628
$1,000,000,000 or more	537	3,944,224,488	2,453,019,205	2,135,164,420	11,563,593	4,161,194	2,384,241,460	76,948,098	41,871,241	27,130,080	14,741,161
Agriculture, forestry and fishing	4	2,179,914	4,495,295	4,234,982	1,126	2,077	4,382,800	115,336	64,831	4,556	60,475
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	*	*	*	*	*	*	*	*	*	*	*
Mining	56	106,528,843	57,100,787	52,533,143	525,702	155,984	54,855,486	2,800,793	1,743,261	1,459,078	281,183
$250,000,000 under $500,000,000	20	6,609,730	3,349,929	2,999,643	660	2,645	3,514,503	−161,928	56,290	31,496	24,792
$500,000,000 under $1,000,000,000	11	8,011,423	4,336,879	3,982,872	113,943	57,744	4,290,588	137,460	171,761	141,132	30,633
$1,000,000,000 or more	19	92,008,689	49,413,999	45,650,626	511,099	95,575	46,850,394	2,894,260	1,512,205	1,286,447	225,758
Oil and gas extraction	41	95,172,986	49,010,790	46,734,944	511,542	147,988	46,948,515	3,274,756	1,716,252	1,466,437	261,815
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	14	82,961,823	43,275,015	38,907,361	503,629	87,578	40,382,363	3,204,780	1,508,279	1,286,447	219,831
All other mining	6	11,466,856	7,289,998	6,798,198	14,160	7,999	7,706,891	−404,962	22,008	2,648	19,360
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	—	*	*	*	*	*
$1,000,000,000 or more	5	9,187,996	6,138,999	5,743,267	7,473	7,999	6,457,973	−310,521	5,929	—	5,929
Construction	17	20,463,717	23,957,173	21,087,803	199,107	42,853	21,866,198	774,048	375,826	219,744	156,082
$250,000,000 under $500,000,000	6	3,314,803	4,755,908	4,459,792	41,153	6,122	4,637,025	147,656	70,997	45,005	25,992
$500,000,000 under $1,000,000,000	5	3,586,973	5,712,670	5,213,578	13,185	1,826	5,636,619	79,021	53,346	13,614	39,732
$1,000,000,000 or more	4	13,461,943	12,088,597	11,393,233	143,764	34,905	11,892,548	547,371	251,482	161,124	90,358
Manufacturing	663	1,894,538,708	1,674,719,847	1,566,189,978	10,257,165	3,497,834	1,636,316,325	58,894,018	32,686,415	20,236,499	12,457,926
$250,000,000 under $500,000,000	187	58,485,491	83,935,645	80,421,005	261,003	53,234	81,568,047	2,587,290	1,515,658	520,398	995,259
$500,000,000 under $1,000,000,000	117	84,456,891	109,095,947	104,982,470	612,337	129,305	105,984,305	3,615,177	2,221,152	890,109	1,331,043
$1,000,000,000 or more	299	1,450,597,322	1,481,688,256	1,381,077,502	9,383,824	3,315,294	1,438,765,974	52,691,551	28,951,605	18,819,991	10,131,624
Food and kindred products	51	110,894,443	142,887,624	137,981,083	713,138	151,435	138,094,885	5,522,634	2,491,813	1,311,833	1,179,181
$250,000,000 under $500,000,000	19	5,950,708	12,192,837	11,950,901	18,605	1,289	11,844,839	362,532	133,715	41,468	92,247
$500,000,000 under $1,000,000,000	6	4,260,951	9,566,862	9,427,217	19,208	1,420	9,305,668	301,997	151,219	47,316	103,901
$1,000,000,000 or more	30	100,472,726	121,107,904	115,802,884	677,329	148,711	116,934,377	4,858,105	2,206,883	1,223,050	983,033
Tobacco manufactures	5	43,087,899	31,319,287	29,486,777	44,139	31,271	28,908,250	2,476,261	1,040,824	249,081	791,743
$250,000,000 under $500,000,000	—	—	—	—	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	5	43,087,899	31,319,287	29,486,777	44,139	31,271	28,908,250	2,476,261	1,040,824	249,081	791,743
Pape. and allied products	33	35,178,429	35,441,015	33,058,695	265,573	23,59	33,894,648	1,742,542	952,019	465,970	396,049
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	12	30,966,061	30,805,349	28,561,736	257,865	22,184	29,464,248	1,508,736	712,438	423,883	288,550
Printing and publishing	23	21,482,794	24,446,334	23,209,134	67,775	2,374	22,87 1,223	1,515,209	764,625	243,478	521,147
$250,000,000 under $500,000,000	9	3,209,300	3,999,080	3,807,647	20,350	—	3,767,315	241,294	117,457	33,054	84,403
$500,000,000 under $1,000,000,000	6	6,017,399	8,119,300	7,900,860	14,257	—	7,567,287	571,026	270,966	93,423	177,542
$1,000,000,000 or more	8	12,256,134	12,327,954	11,500,387	33,168	2,374	11,546,611	802,889	376,203	117,001	259,202
Chemicals and allied products	76	161,463,373	170,847,779	170,097,798	1,721,962	999,331	174,109,548	7,61 3,835	3,674,822	2,211,291	1,883,531
$250,000,000 under $500,000,000	15	5,712,753	7,752,796	7,312,745	45,326	26,268	7,719,720	103,865	106,970	76,826	30,144
$500,000,000 under $1,000,000,000	15	11,986,109	14,441,883	13,807,280	89,790	35,231	13,702,005	661,644	403,113	182,002	221,111
$1,000,000,000 or more	46	143,754,451	157,653,099	148,977,774	1,586,446	547,833	152,987,821	6,680,325	3,364,739	1,952,464	1,412,275
Petroleum (including integrated) and coal products	36	433,536,822	548,464,911	535,794,703	3,290,868	730,845	534,799,889	28,777,464	13,015,665	9,512,684	3,502,981
$250,000,000 under $500,000,000	6	2,409,332	7,756,317	7,583,025	127	904	7,592,684	164,339	79,161	51,301	27,860
$500,000,000 under $1,000,000,000	4	2,950,873	5,362,867	5,246,441	—	63	5,357,643	5,309	50,419	31,520	18,899
$1,000,000,000 or more	26	428,570,617	536,345,727	513,865,236	3,290,731	729,878	511,849,362	28,607,816	12,886,075	9,429,844	3,456,231
Rubber and miscellaneous plastic products	19	13,778,248	18,153,852	17,385,993	199,113	15,871	17,889,423	463,394	256,189	165,866	90,323
$250,000,000 under $500,000,000	4	1,253,290	1,643,654	1,616,725	154	1,464	1,671,339	−26,043	23,797	2,277	21,520
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	6	12,522,950	16,509,39	15,749,267	158,958	14,407	16,136,084	489,437	232,392	163,589	68,803
Stone, clay and glass products	25	24,162,883	21,892,568	20,438,098	117,141	16,138	21,995,179	−83,194	191,560	146,086	45,474
$250,000,000 under $500,000,000	4	1,559,574	1,354,619	1,270,863	—	43	1,327,867	26,815	25,079	10,320	14,758
$500,000,000 under $1,000,000,000	7	4,886,317	5,267,184	5,065,004	13,008	7,839	5,378,520	−92,765	19,673	15,993	3,680
$1,000,000,000 or more	14	17,714,992	15,180,765	14,082,139	104,135	8,253	15,288,792	−17,244	146,808	119,773	26,035
Primary metal industries	39	122,879,637	98,604,362	91,573,980	343,983	54,651	103,355,845	−4,584,795	297,261	183,221	114,040
$250,000,000 under $500,000,000	6	3,422,094	4,260,822	4,133,662	52,412	1,394	4,220,461	52,544	44,193	22,849	21,344
$500,000,000 under $1,000,000,000	11	7,250,467	8,634,567	8,288,884	17,864	5,668	8,926,671	−276,807	64,335	41,117	23,218
$1,000,000,000 or more	18	112,207,076	85,798,972	79,150,449	273,616	47,589	90,208,713	−4,358,502	188,733	119,256	69,477
Fabricated metal products	33	37,488,490	34,439,194	31,991,349	307,068	46,272	33,351,823	1,339,378	740,512	346,615	393,897
$250,000,000 under $500,000,000	11	3,589,328	4,817,528	4,565,086	27,629	2,315	4,566,363	274,536	156,805	41,508	117,297
$500,000,000 under $1,000,000,000	10	7,105,112	8,254,812	7,839,036	123,626	13,417	7,911,137	434,401	213,924	112,527	101,397
$1,000,000,000 or more	11	28,714,891	21,366,861	19,587,226	155,811	29,539	20,874,325	629,440	367,783	192,581	175,202
Machinery, except electric	71	132,675,214	118,853,310	94,811,763	1,349,369	306,567	113,157,458	7,040,125	3,896,892	2,184,000	1,712,892
$250,000,000 under $500,000,000	23	7,144,180	6,808,141	6,350,330	13,287	7,245	6,629,999	191,482	145,529	23,891	121,638
$500,000,000 under $1,000,000,000	21	14,768,123	15,663,642	14,647,807	203,299	36,806	15,331,925	401,397	279,657	120,035	159,622
$1,000,000,000 or more	27	110,443,910	96,391,527	73,813,625	1,132,724	262,514	91,195,535	6,456,245	3,471,705	2,040,074	1,431,632

Footnotes at end of table.

Controlled Foreign Corporations, 1982

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations with Total Assets of $25 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Their Controlled Foreign Corporations, by Major Industry and Size of Total Assets of U.S. Corporation Filing the Return—Continued

[Money amounts are in thousands of dollars]

Major industry and size of total assets of U.S. corporations filing return	U.S. Corporations										
	Number of returns	Total assets	Total receipts	Business receipts	Total dividends received from foreign corporations	Includable income of Controlled Foreign Corporations filing Form 2952 (Form 3646)	Total deductions	Net income (less deficit)	U.S. income tax before credits	Total credits	U.S. income tax after credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Manufacturing — Continued											
Electrical and electronic equipment	88	147,821,705	132,562,966	130,845,366	952,066	339,186	128,896,723	4,306,193	2,054,068	1,151,896	902,172
$250,000,000 under $500,000,000	21	7,611,453	10,127,171	9,572,795	28,501	5,257	9,603,430	546,906	258,164	78,298	179,866
$500,000,000 under $1,000,000,000	13	8,904,156	12,904,635	12,470,073	86,513	2,214	12,321,022	635,771	327,738	107,643	*220,095
$1,000,000,000 or more	23	131,406,096	109,521,162	98,802,501	767,642	231,717	106,772,270	3,121,515	1,468,166	965,956	502,207
Motor vehicles and equipment	20	155,463,779	135,399,077	135,027,577	448,799	1,111,903	134,627,333	1,387,178	1,119,896	1,035,149	84,747
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	12	152,901,199	131,974,024	132,343,184	432,575	1,105,049	130,014,756	1,439,118	1,084,704	1,014,533	70,171
Transportation equipment, except motor vehicles	20	53,979,417	60,540,579	57,037,933	110,943	34,693	62,466,096	– 1,914,686	277,413	192,648	84,765
$250,000,000 under $500,000,000	4	1,530,219	2,021,295	1,909,016	415	65	1,882,832	126,981	51,906	8,128	43,778
$500,000,000 under $1,000,000,000	3	2,673,312	2,527,226	2,392,248	5,662	11,847	2,540,748	7,328	21,483	16,237	5,246
$1,000,000,000 or more	13	49,775,886	55,992,057	52,735,767	104,866	22,680	58,085,515	– 1,950,371	204,013	168,285	35,739
Instruments and related products	20	35,663,639	31,787,438	30,145,067	341,336	79,215	29,875,114	2,346,664	1,193,036	692,871	410,165
$250,000,000 under $500,000,000	10	3,419,631	4,634,062	4,383,112	22,562	1,897	4,546,586	107,303	77,979	44,271	33,708
$500,000,000 under $1,000,000,000	4	3,296,511	4,246,578	4,027,836	28,922	3,423	4,093,196	192,378	86,956	65,361	23,595
$1,000,000,000 or more	6	18,934,897	22,906,783	21,734,119	289,844	73,896	21,239,353	2,046,982	938,093	583,239	352,864
All other manufacturing	54	55,303,357	58,570,494	55,607,583	133,818	45,998	56,275,995	795,166	721,696	157,823	563,874
$250,000,000 under $500,000,000	22	7,451,422	9,829,602	9,542,006	23,893	1,714	9,687,747	245,368	182,850	49,655	143,195
$500,000,000 under $1,000,000,000	12	8,271,750	11,553,378	11,191,216	25,973	6,475	11,027,256	568,963	283,949	49,796	214,153
$1,000,000,000 or more	19	39,580,187	37,187,493	34,874,360	73,952	37,809	37,557,901	– 98,200	254,857	58,373	206,484
Transportation and public utilities	102	521,192,621	346,787,739	336,781,472	197,119	347,488	339,234,513	11,996,546	6,481,453	4,180,334	2,301,119
$250,000,000 under $500,000,000	6	2,981,416	2,255,225	2,096,699	2,607	1,678	2,369,963	– 112,219	12,122	9,850	2,272
$500,000,000 under $1,000,000,000	18	12,502,697	10,383,375	9,991,166	18,828	32,257	10,179,895	246,044	209,166	95,058	114,108
$1,000,000,000 or more	78	505,618,508	328,149,139	314,693,636	175,684	313,553	316,674,765	11,895,718	6,240,163	4,075,424	2,184,739
Transportation	38	101,019,287	96,418,883	88,225,395	82,644	70,712	95,992,043	588,808	741,294	340,827	400,467
$250,000,000 under $500,000,000	5	1,735,157	1,983,414	1,553,621	2,807	616	1,767,296	– 82,485	981	673	308
$500,000,000 under $1,000,000,000	7	4,842,194	5,238,754	5,016,931	9,070	27,226	5,380,770	– 119,085	28,532	25,471	3,061
$1,000,000,000 or more	23	94,441,946	89,196,495	82,654,708	70,767	42,871	88,743,974	790,456	711,781	220,683	491,098
Communication	15	206,715,756	106,700,898	106,639,119	73,891	156,730	102,630,983	4,346,762	3,662,906	2,336,927	665,862
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	9	202,905,339	106,686,239	104,917,671	62,903	106,094	100,720,856	6,137,403	2,950,996	2,290,319	660,677
Electric, gas and sanitary services	52	213,367,599	135,888,374	130,736,093	70,783	170,096	130,882,006	5,163,895	2,717,261	1,588,591	1,128,670
$250,000,000 under $500,000,000	*	*	*	*	—	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	—	*	*	*	*	*	*
$1,000,000,000 or more	44	208,371,023	131,965,402	127,121,857	70,783	164,008	127,209,930	4,937,859	2,577,396	1,564,422	1,012,974
Wholesale and retail trade	187	219,491,368	342,765,877	336,731,537	679,988	145,497	337,729,836	5,573,177	2,883,998	923,556	1,979,983
$250,000,000 under $500,000,000	36	13,703,080	24,605,963	23,825,534	13,752	4,853	24,062,505	559,443	308,159	60,120	248,039
$500,000,000 under $1,000,000,000	26	18,381,776	52,127,874	50,748,742	28,055	4,391	51,473,954	685,852	419,017	65,088	353,929
$1,000,000,000 or more	43	187,408,513	266,052,021	254,157,260	638,182	137,283	262,193,367	4,346,883	2,076,332	798,348	1,277,995
Wholesale trade	58	91,960,830	140,742,235	136,525,443	352,729	56,606	138,865,112	1,983,881	749,178	237,371	511,799
$250,000,000 under $500,000,000	23	8,169,453	16,370,085	16,032,046	12,765	3,163	16,077,232	309,102	186,784	39,429	147,361
$500,000,000 under $1,000,000,000	19	13,036,782	41,583,742	40,387,075	25,243	4,381	41,326,117	295,498	215,219	29,852	185,367
$1,000,000,000 or more	16	70,754,595	82,788,398	79,106,319	224,718	49,085	82,461,763	509,283	347,168	169,097	179,071
Retail trade	48	127,530,538	202,043,602	193,206,094	417,248	88,886	197,834,723	4,403,296	2,054,337	686,183	1,368,154
$250,000,000 under $500,000,000	15	5,535,626	8,235,898	7,793,465	884	1,690	7,985,273	250,340	121,370	20,696	100,677
$500,000,000 under $1,000,000,000	7	5,344,984	10,544,132	10,361,668	2,812	—	10,147,847	400,356	203,798	35,270	168,562
$1,000,000,000 or more	27	116,654,928	183,263,623	175,050,942	413,444	86,196	179,701,603	3,838,598	1,729,164	630,250	1,098,914
Finance, insurance and real estate	154	1,882,171,015	295,878,912	108,573,879	595,068	249,533	289,144,973	3,882,884	2,417,894	1,637,196	780,438
$250,000,000 under $500,000,000	24	8,611,656	3,071,878	2,015,902	60,983	950	2,806,797	278,157	119,214	41,203	78,011
$500,000,000 under $1,000,000,000	19	14,724,219	5,303,513	3,907,014	15,615	4,401	5,283,602	– 66,255	29,093	8,550	20,543
$1,000,000,000 or more	111	1,858,835,137	287,503,521	102,950,961	520,057	244,201	281,051,572	3,380,602	2,269,287	1,587,404	681,883
Banking	91	1,187,606,376	145,599,436	15,580,744	390,361	199,251	140,659,083	2,941,599	1,373,364	1,253,790	119,574
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	—	—	*	*	*	*	*
$1,000,000,000 or more	57	1,185,080,818	145,290,474	15,543,796	390,361	199,251	140,631,496	2,944,643	1,371,054	1,252,699	118,355
Insurance carriers	43	336,572,948	119,834,818	78,827,873	186,518	36,851	118,177,276	278,453	534,112	225,036	286,074
$250,000,000 under $500,000,000	5	1,927,140	760,798	613,864	5,437	202	738,071	10,377	4,422	1,559	2,863
$500,000,000 under $1,000,000,000	9	6,981,048	3,054,133	2,134,922	194	1,166	2,957,081	14,969	16,195	747	15,448
$1,000,000,000 or more	29	327,764,761	116,020,386	75,279,087	100,886	29,283	114,482,116	253,107	503,495	222,731	280,764
All other finance, insurance and real estate	98	157,991,690	30,454,658	14,966,261	199,757	20,851	30,038,618	372,481	530,118	158,330	361,788
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	25	145,988,757	26,192,962	12,126,088	126,810	18,987	25,937,459	182,852	384,738	111,974	282,764
Services	48	52,148,264	39,893,994	35,394,733	211,398	23,894	38,098,548	1,939,654	919,869	546,449	373,419
$250,000,000 under $500,000,000	21	7,660,136	7,391,629	6,726,326	39,751	3,215	6,962,553	445,443	215,557	79,401	136,156
$500,000,000 under $1,000,000,000	12	9,282,309	7,926,678	6,980,701	1,345	1,887	7,676,933	249,392	133,335	65,695	67,640
$1,000,000,000 or more	15	35,205,820	24,495,677	21,689,706	180,109	18,792	23,369,063	1,234,818	570,167	401,353	168,614

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Their Controlled Foreign Corporations, by Major Industry and Size of Total Assets of U.S. Corporation Filing the Return—Continued

[Money amounts are in thousands of dollars]

Major industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations										
						Distributions		Receipts by foreign corporations from —			
								U.S. corporation filing return		Any domestic corporations controlled by the U.S. corporation filing return	
	Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign income taxes (net)	Total	Out of current earnings and profits	Total	Sales of stock in trade	Total	Sales of stock in trade
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All industries, total	36,983	557,268,923	647,877,371	36,896,077	14,877,332	14,669,378	9,436,061	51,166,678	40,391,868	10,798,866	10,640,398
$250,000,000 under $500,000,000	2,886	19,440,208	20,406,910	1,234,088	467,826	411,380	255,135	787,362	324,083	140,525	41,725
$500,000,000 under $1,000,000,000	3,296	27,327,579	31,925,187	2,302,500	889,838	842,901	574,408	1,440,533	1,008,790	629,534	417,575
$1,000,000,000 or more	20,809	510,441,136	595,545,274	33,159,478	12,720,570	13,396,084	8,586,461	48,938,851	39,957,109	10,029,750	10,181,008
Agriculture, forestry and fishing	119	949,452	1,284,689	17,867	16,844	886	16	26,747	1,736	936	—
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	—
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	*	*	*	*	*	*	*	*	*	*	—
Mining	683	11,112,788	7,114,189	1,226,841	563,483	574,477	368,571	95,389	15,533	321,436	148,395
$250,000,000 under $500,000,000	71	494,582	206,041	15,086	7,224	296	114	4,583	—	5,183	—
$500,000,000 under $1,000,000,000	62	710,410	336,985	118,883	27,456	55,051	47,163	11,830	16	9,829	495
$1,000,000,000 or more	520	9,907,776	6,571,133	1,092,912	528,773	519,160	309,295	78,976	15,507	306,325	148,771
Oil and gas extraction	597	10,494,331	6,834,598	1,175,578	546,714	568,381	368,468	79,776	2,983	321,116	149,395
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	—	—	*	*
$1,000,000,000 or more	482	9,316,105	6,307,036	1,046,923	512,578	517,099	307,231	63,455	2,583	306,005	148,771
All other mining	86	618,457	279,571	51,271	17,736	6,087	6,087	15,611	12,946	336	—
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	—	—
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	—	—
$1,000,000,000 or more	36	581,671	264,087	45,088	16,193	2,084	2,084	15,421	12,924	320	—
Construction	323	2,279,161	8,305,776	368,269	103,895	211,338	127,838	14,093	—	62,891	25,454
$250,000,000 under $500,000,000	51	361,711	582,708	17,623	3,253	41,936	1,344	356	—	4,080	—
$500,000,000 under $1,000,000,000	60	280,663	716,332	17,915	5,026	7,494	3,561	10,860	—	66	—
$1,000,000,000 or more	211	1,626,787	6,986,736	332,821	94,524	161,908	122,914	3,874	—	78,536	25,454
Manufacturing	19,804	385,114,067	519,677,305	29,463,266	11,700,494	11,963,846	7,921,679	46,131,796	38,709,366	12,498,491	9,025,098
$250,000,000 under $500,000,000	1,754	8,795,703	11,810,965	785,816	305,168	239,709	145,771	470,133	278,463	79,566	31,466
$500,000,000 under $1,000,000,000	2,354	20,256,434	25,041,248	1,910,079	789,549	728,307	480,822	1,158,029	835,700	391,691	248,945
$1,000,000,000 or more	15,396	357,061,959	482,225,092	26,767,383	10,605,767	10,995,829	7,295,086	44,503,636	37,645,221	11,937,203	8,745,185
Food and kindred products	2,209	25,441,239	32,427,286	2,449,867	985,973	979,427	699,998	846,093	361,795	442,761	185,930
$250,000,000 under $500,000,000	84	562,595	948,465	90,749	27,500	32,082	31,380	63,795	57,313	16,356	—
$500,000,000 under $1,000,000,000	87	1,111,055	2,138,618	156,962	66,925	59,278	17,064	43,137	7,915	45	—
$1,000,000,000 or more	2,038	23,748,189	29,340,484	2,192,975	791,548	879,066	651,444	739,158	296,567	426,361	185,930
Tobacco manufactures	271	5,908,362	6,562,943	375,290	109,298	56,857	31,347	490,802	205,284	21,147	4,078
$250,000,000 under $500,000,000	—	—	—	—	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	271	5,908,362	6,562,943	375,290	109,298	56,857	31,347	490,802	205,284	21,147	4,078
Paper and allied products	572	7,488,082	7,988,773	611,230	198,488	121,713	199,567	306,016	226,297	40,087	28,488
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	400	6,718,815	6,721,107	548,653	178,651	313,327	195,583	293,165	223,975	34,472	28,303
Printing and publishing	373	2,788,364	2,548,934	184,089	65,395	133,144	42,117	22,670	7,573	157,736	146,881
$250,000,000 under $500,000,000	145	645,837	888,154	5,412	17,537	20,049	14,807	3,903	3,021	8,406	8,109
$500,000,000 under $1,000,000,000	72	461,927	432,023	47,437	17,676	3,466	2,079	8,133	378	1,336	600
$1,000,000,000 or more	156	1,681,800	1,228,748	111,219	30,069	109,629	25,431	10,634	4,174	147,993	138,152
Chemicals and allied products	4,830	98,731,968	67,376,158	5,298,594	2,193,668	1,938,443	1,238,234	2,954,290	1,241,586	561,378	274,591
$250,000,000 under $500,000,000	308	1,055,809	1,583,587	115,656	56,119	36,933	27,824	18,216	8,396	11,829	1,535
$500,000,000 under $1,000,000,000	490	3,373,455	3,840,057	335,980	149,346	124,314	93,700	144,107	57,154	60,286	39,917
$1,000,000,000 or more	3,232	92,302,905	61,942,503	4,846,886	1,988,193	1,776,196	1,114,710	2,791,967	1,176,037	489,258	233,049
Petroleum (including integrated) and coal products	1,909	101,185,751	191,838,585	7,791,833	3,163,141	3,995,082	2,594,406	20,431,178	19,062,446	7,081,511	6,323,106
$250,000,000 under $500,000,000	15	113,961	355,921	7,315	1,022	715	630	3,535	—	96	—
$500,000,000 under $1,000,000,000	8	5,687	388	- 615	22	48	48	95	—	368	—
$1,000,000,000 or more	1,886	101,066,103	190,672,275	7,775,133	3,162,097	3,994,321	2,593,732	20,427,556	19,062,446	7,081,047	6,323,106
Rubber and miscellaneous plastic products	321	5,422,495	7,445,377	382,636	166,642	136,335	116,125	546,980	409,316	406	15
$250,000,000 under $500,000,000	41	129,835	148,313	2,748	2,157	19	—	1,294	929	15	15
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	280	5,293,661	7,297,064	379,883	164,485	136,306	116,125	545,686	408,390	390	—
Stone, clay and glass products	356	4,094,106	4,182,398	226,967	79,688	125,477	48,398	87,213	42,548	73,871	48,314
$250,000,000 under $500,000,000	9	84,330	6,980	- 2,243	130	—	—	116	—	107	—
$500,000,000 under $1,000,000,000	109	829,534	954,466	50,752	25,166	28,716	16,302	36,325	19,221	28,529	5,640
$1,000,000,000 or more	238	3,170,245	3,220,950	178,486	54,291	96,756	31,984	50,770	23,324	45,234	40,674
Primary metal industries	1,068	16,446,290	10,378,582	436,798	177,287	323,787	79,443	973,366	454,218	426,508	168,272
$250,000,000 under $500,000,000	70	488,015	517,055	47,704	16,051	26,221	15,376	77,780	11,181	377	103
$500,000,000 under $1,000,000,000	152	1,033,409	1,821,507	80,522	29,853	29,469	18,711	64,605	43,053	8,926	5,344
$1,000,000,000 or more	847	14,946,825	8,240,020	328,573	131,383	267,998	36,356	831,014	399,978	417,204	162,825
Fabricated metal products	799	9,238,751	10,399,985	573,443	303,694	536,347	246,827	162,779	30,344	49,790	23,251
$250,000,000 under $500,000,000	63	609,413	755,151	35,308	23,911	20,080	8,631	8,338	2,516	233	2
$500,000,000 under $1,000,000,000	301	3,176,347	3,800,896	330,190	109,100	122,312	89,998	52,927	4,318	11,486	531
$1,000,000,000 or more	429	5,540,991	5,944,618	507,944	171,582	387,875	149,398	101,514	23,511	38,071	21,719
Machinery, except electric	2,269	49,863,819	50,132,521	6,235,353	2,542,436	1,667,074	1,256,323	1,972,426	1,373,475	2,134,942	1,108,979
$250,000,000 under $500,000,000	180	1,382,807	1,282,494	84,772	26,298	19,058	4,048	62,831	43,011	4,933	4,896
$500,000,000 under $1,000,000,000	508	4,491,556	5,610,720	455,715	187,328	165,466	100,650	127,761	83,689	143,125	78,583
$1,000,000,000 or more	1,587	44,009,652	43,259,307	5,694,866	2,328,811	1,472,551	1,191,625	1,782,034	1,246,774	1,986,780	1,025,719

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations with Total Assets of $ Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Their Controlled Foreign Corporations, by Major Industry and Size of Total Assets of U.S. Corporation Filing the Return—Continue

[Money amounts are in thousands of dollars]

Major industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations											
						Distributions		Receipts by foreign corporations from —				
								U.S. corporation filing return		Any domestic corporation controlled by the U.S. corporation filing return		
	Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign income taxes (net)	Total	Out of current earnings and profits	Total	Sales of stock in trade	Total	Sales of stock in trade	
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	
Manufacturing — Continued												
Electrical and electronic equipment	2,448	34,526,341	38,121,686	2,074,486	719,678	925,268	589,938	3,516,614	2,867,618	615,298	3	
$250,000,000 under $500,000,000	221	1,093,292	1,640,846	138,382	40,717	34,022	13,167	109,941	69,549	20,030		
$500,000,000 under $1,000,000,000	250	2,111,985	3,113,452	176,585	74,393	69,953	63,400	533,128	513,632	122,839	1	
$1,000,000,000 or more	1,977	31,300,054	33,366,702	1,759,570	603,986	821,290	513,371	2,867,544	2,273,829	472,419	2	
Motor vehicles and equipment	978	45,166,143	63,639,429	921,986	382,239	686,398	389,118	12,151,994	11,147,127	448,589	1	
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*		
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*		
$1,000,000,000 or more	866	44,434,952	63,205,960	457,439	358,566	518,811	277,216	12,107,330	11,121,080	443,876	1	
Transportation equipment, except motor vehicles	536	5,999,736	5,944,742	555,044	235,421	131,436	71,884	886,239	425,656	178,743	1	
$250,000,000 under $500,000,000	17	44,157	64,256	2,791	1,622	930	483	2,737	1,201	152		
$500,000,000 under $1,000,000,000	65	491,244	395,466	73,745	11,517	8,130	6,948	59,338	53,721	2,700		
$1,000,000,000 or more	457	5,461,337	5,385,018	478,508	212,282	122,376	64,264	534,155	370,736	175,892	1	
Instruments and related products	783	10,090,881	14,783,702	1,198,913	441,335	343,610	286,913	628,961	417,971	81,321		
$250,000,000 under $500,000,000	233	821,915	1,221,351	70,770	24,094	18,375	8,377	51,068	35,191	5,623		
$500,000,000 under $1,000,000,000	110	1,407,075	1,904,294	140,033	66,730	52,830	44,368	44,166	36,182	396		
$1,000,000,000 or more	440	7,861,580	11,658,057	980,111	350,512	271,406	244,168	433,718	346,598	75,300		
All other manufacturing	588	5,764,297	6,335,543	314,004	148,611	129,976	91,276	986,109	503,757	93,530		
$250,000,000 under $500,000,000	151	875,413	945,632	113,864	40,801	18,045	14,903	22,136	16,737	9,910		
$500,000,000 under $1,000,000,000	125	1,171,404	1,200,994	26,273	37,220	30,684	18,055	29,383	14,491	1,830		
$1,000,000,000 or more	293	3,717,479	4,179,918	173,865	61,992	81,241	58,321	538,590	472,530	81,761	2	
Transportation and public utilities	1,276	22,136,957	14,984,817	1,476,953	394,530	467,866	347,102	870,535	57,275	1,200,380	91	
$250,000,000 under $500,000,000	27	1,184,983	215,258	24,105	4,281	3,311	1,934	1,594	—	2,436		
$500,000,000 under $1,000,000,000	190	1,869,185	548,296	132,658	10,599	18,284	15,080	13,281	—	12,560		
$1,000,000,000 or more	1,059	19,084,800	13,601,273	1,314,190	379,640	446,205	330,108	855,661	57,275	1,185,384	91	
Transportation	499	4,679,390	4,067,962	317,475	74,186	103,535	80,146	60,433	910	942,137	87	
$250,000,000 under $500,000,000	23	53,752	53,743	5,624	1,291	3,311	1,934	375	—	2,436		
$500,000,000 under $1,000,000,000	128	1,433,350	421,719	104,698	6,005	11,480	9,546	2,873	—	12,427		
$1,000,000,000 or more	337	3,192,278	3,592,530	207,153	66,894	88,744	68,666	57,186	910	927,274	86	
Communication	397	6,443,571	3,535,030	469,291	140,686	132,217	109,886	381,086	1,523	114,321	3	
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	—	*		
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	—	*		
$1,000,000,000 or more	247	6,215,256	3,451,577	462,410	140,480	125,412	104,484	381,087	1,523	114,186	3	
Electric, gas and sanitary services	901	11,916,916	6,771,899	684,187	119,862	232,048	158,956	369,885	54,842	143,921		
$250,000,000 under $500,000,000	*	*	*	*	*	—	—	*	—	—		
$500,000,000 under $1,000,000,000	*	*	*	*	*	—	—	*	—	—		
$1,000,000,000 or more	475	9,617,265	6,557,199	644,627	112,299	232,048	158,956	377,378	54,842	143,921		
Wholesale and retail trade	1,388	29,940,218	71,807,891	1,488,278	411,957	796,867	316,220	1,888,771	1,330,613	546,793	39	
$250,000,000 under $500,000,000	163	1,215,175	1,871,638	57,359	40,214	15,678	12,204	20,854	6,350	16,105		
$500,000,000 under $1,000,000,000	226	1,847,919	4,706,759	48,209	21,849	12,846	11,080	181,927	164,286	175,120	16	
$1,000,000,000 or more	997	26,877,116	65,229,294	1,294,713	349,895	678,343	292,951	1,477,989	1,159,977	355,567	21	
Wholesale trade	917	19,429,196	56,203,127	922,263	245,739	277,135	175,423	1,813,837	1,325,840	407,669	39	
$250,000,000 under $500,000,000	119	1,070,908	1,709,120	54,141	38,171	13,997	10,540	13,375	3,770	14,492		
$500,000,000 under $1,000,000,000	204	1,817,608	4,834,849	44,670	20,545	12,846	11,086	181,927	164,286	175,046	16	
$1,000,000,000 or more	594	16,531,640	49,659,357	723,453	186,019	250,292	153,815	1,418,535	1,157,784	218,129	18	
Retail trade	469	10,539,054	15,604,764	577,918	165,223	439,753	140,799	88,934	4,773	139,123	3	
$250,000,000 under $500,000,000	44	144,267	162,518	3,219	2,043	1,881	1,684	7,480	2,580	1,613		
$500,000,000 under $1,000,000,000	22	30,311	72,109	3,536	1,304	—	—	(*)	—	73		
$1,000,000,000 or more	403	10,345,476	15,369,937	571,160	161,876	428,072	139,135	59,454	2,193	137,437	3	
Finance, insurance and real estate	2,721	99,630,277	22,360,987	2,388,743	737,598	631,394	314,867	2,269,297	80,864	4,195,979	12	
$250,000,000 under $500,000,000	311	5,305,997	4,376,965	208,082	49,409	79,852	73,650	231,000	—	4,220		
$500,000,000 under $1,000,000,000	329	1,882,899	282,611	47,362	12,008	17,545	13,869	58,474	1,735	36,365		
$1,000,000,000 or more	2,081	92,431,381	17,701,411	2,133,299	676,140	534,096	227,081	1,912,823	79,129	4,145,392	12	
Banking	804	67,540,101	8,745,899	1,414,486	364,318	173,381	104,171	1,863,433	—	3,112,666	1	
$250,000,000 under $500,000,000	*	*	*	*	*	—	—	*	—	—		
$500,000,000 under $1,000,000,000	*	*	*	*	*	—	—	*	—	—		
$1,000,000,000 or more	790	67,365,377	8,721,695	1,411,120	364,217	173,381	104,171	1,540,044	—	3,112,666	1	
Insurance carriers	706	14,315,837	1,895,168	434,813	109,873	103,988	76,297	171,911	28,767	383,746		
$250,000,000 under $500,000,000	9	69,149	32,427	10,877	215	4,330	4,330	—	—	334		
$500,000,000 under $1,000,000,000	18	31,868	13,628	-1,141	450	—	—	50	—	15		
$1,000,000,000 or more	679	14,214,820	5,639,300	425,078	150,208	99,758	71,967	171,760	28,767	383,397		
All other finance, insurance and real estate	1,212	17,765,139	7,939,943	539,445	222,367	354,834	134,125	473,954	52,097	699,544	11	
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*		
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*		
$1,000,000,000 or more	613	10,851,994	3,340,417	297,101	161,714	261,986	50,944	195,018	50,362	649,308	11	
Services	1,016	5,153,991	3,481,367	339,866	148,718	94,183	42,090	148,545	44,586	53,136		
$250,000,000 under $500,000,000	470	1,919,560	1,234,398	113,173	52,387	30,341	20,118	52,810	37,543	28,499		
$500,000,000 under $1,000,000,000	75	470,068	292,956	27,417	22,446	3,394	2,867	8,129	7,053	3,801		
$1,000,000,000 or more	471	2,764,341	1,934,012	199,217	74,880	60,427	19,015	85,606	—	20,836		

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Their Controlled Foreign Corporations, by Major Industry and Size of Total Assets of U.S. Corporation Filing the Return—Continued

[Money amounts are in thousands of dollars]

Major industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations — Continued										
	Receipts by foreign corporations — Continued		Payments by foreign corporations to —								
	Any foreign corporation controlled by U.S. corporation filing return		U.S. corporation filing return			Any domestic corporations controlled by the U.S. corporation filing the return			Any foreign corporations controlled by the U.S. corporation filing return		
	Total	Sales of stock in trade	Total	Purchases of stock in trade	Dividends paid	Total	Purchases of stock in trade	Dividends paid	Total	Purchases of stock in trade	Dividends paid
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
All industries, total	**37,282,277**	**13,538,947**	**74,965,821**	**48,545,599**	**4,638,782**	**41,578,666**	**21,549,818**	**5,547,258**	**34,923,475**	**12,166,187**	**3,396,522**
$250,000,000 under $500,000,000	578,329	257,117	1,718,536	1,102,190	218,117	394,316	226,073	108,102	659,013	381,562	70,404
$500,000,000 under $1,000,000,000	1,701,841	755,693	3,546,494	2,163,035	432,780	1,821,396	1,279,651	204,550	1,792,777	854,555	141,511
$1,000,000,000 or more	35,012,107	12,526,136	69,640,591	45,300,334	4,177,886	39,354,292	20,044,094	5,234,606	32,471,686	10,940,070	3,174,607
Agriculture, forestry and fishing	**7,366**	**—**	**17,006**	**9,483**	**—**	**2,323**	**—**	**486**	**6,866**	**—**	**134**
$250,000,000 under $500,000,000	*	—	*	*	—	*	—	*	*	—	*
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	*	—	*	*	—	*	—	*	*	—	*
Mining	**217,375**	**9,494**	**967,441**	**138,894**	**198,963**	**1,144,382**	**73,160**	**286,309**	**282,890**	**2,913**	**92,139**
$250,000,000 under $500,000,000	22,330	—	28,234	6,850	274	11,901	2,560	(*)	22,157	—	—
$500,000,000 under $1,000,000,000	43,829	4,840	54,428	—	27,395	63,838	—	19,260	29,407	—	7,000
$1,000,000,000 or more	151,216	4,654	784,778	122,034	160,454	1,068,644	70,600	267,039	231,326	2,913	75,128
Oil and gas extraction	**212,526**	**4,654**	**798,321**	**128,884**	**187,648**	**1,139,386**	**73,160**	**282,653**	**282,436**	**2,913**	**91,668**
$250,000,000 under $500,000,000	*	—	*	*	*	*	*	*(*)	*	—	*
$500,000,000 under $1,000,000,000	*	—	*	*	*	*	*	*	*	—	*
$1,000,000,000 or more	151,211	4,654	719,758	122,034	160,040	1,086,283	70,600	266,046	230,867	2,913	74,668
All other mining	**4,849**	**4,849**	**68,120**	**—**	**414**	**5,022**	**—**	**3,652**	**480**	**—**	**480**
$250,000,000 under $500,000,000	*	*	*	—	—	*	—	*	—	—	—
$500,000,000 under $1,000,000,000	*	*	*	—	—	*	—	*	—	—	—
$1,000,000,000 or more	6	—	68,021	—	414	2,361	—	991	460	—	480
Construction	**201,732**	**—**	**64,537**	**—**	**40,340**	**272,372**	**—**	**153,754**	**112,716**	**4**	**15,269**
$250,000,000 under $500,000,000	—	—	62,531	—	40,336	3,171	—	1,600	254	—	—
$500,000,000 under $1,000,000,000	—	—	547	—	—	7,494	—	7,494	*	4	—
$1,000,000,000 or more	201,732	—	1,460	—	4	261,706	—	144,660	112,417	—	15,269
Manufacturing	**33,479,883**	**13,418,136**	**66,882,454**	**42,921,718**	**4,234,286**	**32,985,225**	**20,472,302**	**4,124,843**	**31,469,010**	**12,049,787**	**2,907,976**
$250,000,000 under $500,000,000	443,146	256,313	1,412,107	1,036,771	138,303	303,034	210,843	58,356	528,791	380,968	29,861
$500,000,000 under $1,000,000,000	1,416,899	732,083	3,269,052	2,027,991	375,568	1,040,440	597,365	166,626	1,486,327	834,918	125,330
$1,000,000,000 or more	31,619,458	12,429,740	56,881,294	39,854,956	3,710,336	30,741,751	19,664,094	3,899,859	29,444,892	10,853,897	2,852,786
Food and kindred products	**1,976,877**	**636,906**	**1,211,286**	**399,995**	**331,451**	**1,463,117**	**618,654**	**358,673**	**1,799,117**	**487,468**	**346,965**
$250,000,000 under $500,000,000	44,739	—	43,669	15,932	21,639	6,424	2,315	2,490	29,895	—	7,933
$500,000,000 under $1,000,000,000	17,069	13,309	153,590	30,122	45,766	2,249	603	103	21,273	11,805	8,303
$1,000,000,000 or more	1,747,269	625,678	1,014,309	353,942	264,044	1,474,445	615,737	356,080	1,737,949	455,604	330,749
Tobacco manufactures	**258,381**	**—**	**796,591**	**169,105**	**9,464**	**84,741**	**25,324**	**27,644**	**253,890**	**2,684**	**17,686**
$250,000,000 under $500,000,000	—	—	—	—	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	258,381	—	796,591	169,105	9,464	84,741	25,324	27,644	253,890	2,684	17,686
Paper and allied products	**290,226**	**101,334**	**1,027,918**	**529,879**	**218,991**	**175,233**	**42,418**	**22,473**	**225,464**	**46,668**	**80,104**
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*
$1,000,000,000 or more	212,829	64,891	957,308	580,869	212,915	169,729	40,352	21,968	154,499	9,392	58,479
Printing and publishing	**83,422**	**1,442**	**304,322**	**47,543**	**47,717**	**115,809**	**28,480**	**2,769**	**112,265**	**1,586**	**81,243**
$250,000,000 under $500,000,000	3,425	—	58,891	20,516	19,656	24,847	23,596	137	4,988	247	254
$500,000,000 under $1,000,000,000	5,847	234	76,732	17,442	3,308	2,195	1,233	158	6,960	388	—
$1,000,000,000 or more	74,150	1,208	68,800	9,584	24,753	88,767	3,631	2,475	100,257	963	80,990
Chemicals and allied products	**6,863,083**	**1,316,788**	**6,329,963**	**3,954,865**	**921,854**	**2,718,907**	**1,847,473**	**547,896**	**5,877,329**	**1,275,162**	**297,537**
$250,000,000 under $500,000,000	50,709	20,043	244,922	193,947	11,985	69,896	36,694	20,973	60,317	21,690	5,840
$500,000,000 under $1,000,000,000	169,521	66,918	518,985	171,405	89,356	253,098	151,285	12,185	143,853	51,801	18,377
$1,000,000,000 or more	6,642,863	1,229,807	7,566,046	3,589,312	820,314	2,395,913	1,459,494	514,740	6,673,755	1,201,672	263,319
Petroleum (including integrated) and coal products	**6,009,289**	**657,963**	**19,125,749**	**16,347,101**	**908,143**	**16,371,199**	**12,930,444**	**1,322,368**	**5,309,033**	**640,240**	**1,209,614**
$250,000,000 under $500,000,000	1	—	715	—	715	96	—	—	—	—	—
$500,000,000 under $1,000,000,000	298	—	—	—	—	5,230	—	—	463	—	48
$1,000,000,000 or more	6,008,990	657,963	19,125,025	16,347,101	907,428	16,365,869	12,930,444	1,322,368	5,299,569	640,240	1,209,569
Rubber and miscellaneous plastic products	**874,531**	**778,369**	**938,465**	**399,788**	**111,818**	**19,017**	**16,954**	**—**	**828,135**	**729,245**	**7,747**
$250,000,000 under $500,000,000	3,732	2,561	18,016	15,569	19	2,706	2,392	—	4,453	3,187	—
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	870,799	775,808	640,469	384,200	111,599	16,309	14,562	—	823,682	726,057	7,747
Stone, clay and glass products	**135,794**	**36,269**	**239,945**	**121,009**	**35,106**	**135,157**	**50,097**	**89,213**	**120,668**	**33,879**	**16,513**
$250,000,000 under $500,000,000	—	—	6,348	—	—	4,623	4,623	—	—	—	—
$500,000,000 under $1,000,000,000	77,764	31,032	81,716	44,580	5,125	37,482	16,685	10,017	79,321	28,185	11,671
$1,000,000,000 or more	49,020	5,257	140,985	76,429	29,981	93,051	28,789	59,197	41,347	5,692	4,842
Primary metal industries	**779,738**	**52,817**	**991,731**	**587,923**	**124,985**	**527,651**	**140,753**	**141,539**	**745,738**	**96,861**	**45,967**
$250,000,000 under $500,000,000	7,831	—	107,050	76,451	7,709	19,748	2,324	17,273	7,104	—	1,239
$500,000,000 under $1,000,000,000	36,029	13,187	77,770	55,020	13,675	26,133	18,007	6,032	38,438	15,251	2,395
$1,000,000,000 or more	735,880	39,630	806,911	456,453	103,581	481,769	120,421	118,234	700,193	81,610	42,322
Fabricated metal products	**676,878**	**80,866**	**888,522**	**195,913**	**188,012**	**270,950**	**76,861**	**111,914**	**649,319**	**64,710**	**172,480**
$250,000,000 under $500,000,000	6,020	5,261	64,831	37,124	18,174	3,837	2,053	1,569	22,736	21,893	317
$500,000,000 under $1,000,000,000	185,512	30,195	279,214	61,330	31,757	121,412	24,747	63,799	154,694	32,563	14,353
$1,000,000,000 or more	485,347	15,190	344,476	97,458	116,081	145,702	50,061	46,546	471,889	10,255	157,810
Machinery, except electric	**3,253,178**	**1,177,213**	**7,864,902**	**5,473,914**	**383,409**	**5,499,757**	**2,124,523**	**1,020,529**	**3,194,503**	**1,339,320**	**189,339**
$250,000,000 under $500,000,000	87,665	71,079	162,836	133,206	4,775	20,060	9,019	5,572	93,472	78,206	531
$500,000,000 under $1,000,000,000	362,262	230,956	638,991	473,250	101,790	319,152	180,719	38,986	356,569	234,831	21,851
$1,000,000,000 or more	2,803,251	875,177	7,063,073	4,867,459	276,840	5,160,546	1,934,785	975,969	2,734,462	1,026,284	166,957

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations with Total Assets of $2 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Their Controlled Foreign Corporations, by Major Industry and Size of Total Assets of U.S. Corporation Filing the Return—Continued

[Money amounts are in thousands of dollars]

Major industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations — Continued											
	Receipts by foreign corporations — Continued		Payments by foreign corporations to —									
	Any foreign corporation controlled by U.S. corporation filing return		U.S. corporation filing return			Any domestic corporations controlled by the U.S. corporation filing the return			Any foreign corporations controlled by the U.S. corporation filing return			
	Total	Sales of stock in trade	Total	Purchases of stock in trade	Dividends paid	Total	Purchases of stock in trade	Dividends paid	Total	Purchases of stock in trade	Dividends paid	
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	
Manufacturing — Continued												
Electrical and electronic equipment	**4,790,048**	**2,992,934**	**5,626,999**	**3,594,045**	**295,229**	**1,362,586**	**737,821**	**251,772**	**4,394,288**	**2,894,814**	**278,**
$250,000,000 under $500,000,000	84,625	53,231	315,570	257,012	19,870	98,189	92,175	1,776	115,865	95,159	9,
$500,000,000 under $1,000,000,000	83,834	41,184	705,965	594,340	44,561	197,025	181,609	2,316	77,946	39,963	22,
$1,000,000,000 or more	4,621,587	2,798,509	4,604,564	2,732,692	230,769	967,337	463,838	247,680	4,200,542	2,449,692	243,
Motor vehicles and equipment	**5,500,311**	**4,033,534**	**10,489,553**	**8,628,585**	**323,914**	**1,308,105**	**286,524**	**74,795**	**4,792,913**	**3,041,178**	**127,**
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*	
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*	
$1,000,000,000 or more	5,494,984	4,018,753	10,408,848	8,568,614	316,615	1,186,114	281,666	71,421	4,730,409	3,019,796	122,	
Transportation equipment, except motor vehicles	**305,783**	**108,521**	**706,078**	**514,003**	**44,574**	**419,096**	**233,731**	**67,767**	**390,017**	**54,574**	**13,**
$250,000,000 under $500,000,000	444	—	600	568	—	912	—	908	442	—		
$500,000,000 under $1,000,000,000	23,307	—	353,316	337,895	4,419	8,224	4,628	3,443	22,159	—		
$1,000,000,000 or more	282,032	108,521	352,161	175,539	40,155	408,930	229,092	63,416	237,416	54,074	13,	
Instruments and related products	**1,588,209**	**1,448,888**	**2,201,872**	**1,881,196**	**278,933**	**1,508,081**	**1,419,233**	**10,336**	**1,885,178**	**1,529,039**	**88,**
$250,000,000 under $500,000,000	71,860	53,011	237,946	199,809	15,820	26,524	22,817	942	70,265	53,222		
$500,000,000 under $1,000,000,000	261,380	255,727	280,742	195,626	29,934	13,662	9,820	1,693	414,533	376,826	19,	
$1,000,000,000 or more	1,228,969	1,140,912	1,683,182	1,205,671	232,279	1,468,875	1,386,597	7,700	1,180,357	1,098,978	30,	
All other manufacturing	**218,761**	**121,088**	**448,960**	**299,248**	**23,944**	**285,911**	**94,343**	**66,018**	**288,557**	**142,918**	**5,**
$250,000,000 under $500,000,000	38,596	33,414	60,055	35,092	9,457	17,937	8,120	6,212	71,966	62,976	1,	
$500,000,000 under $1,000,000,000	74,704	15,620	82,155	33,425	966	34,319	4,824	24,579	83,896	9,028	1,	
$1,000,000,000 or more	105,459	72,636	307,750	200,728	13,521	233,655	81,299	64,222	104,676	70,915	2,	
Transportation and public utilities	**825,394**	**45,027**	**2,061,468**	**280,991**	**85,186**	**1,193,489**	**126,589**	**388,753**	**663,398**	**40,197**	**94,**
$250,000,000 under $500,000,000	8	—	41,996	630	1,493	5,291	2,967	1,818	8	—		
$500,000,000 under $1,000,000,000	108,536	—	26,474	—	12,181	9,129	71	1,336	104,492	—	3,	
$1,000,000,000 or more	716,850	45,027	1,992,997	280,361	71,512	1,169,031	117,551	285,639	558,780	40,197	90,	
Transportation	**165,390**	**30,168**	**237,238**	**19,271**	**27,080**	**217,536**	**32,833**	**46,296**	**145,967**	**5,296**	**39,**
$250,000,000 under $500,000,000	5	—	2,764	630	1,493	5,291	2,967	1,818	8	—		
$500,000,000 under $1,000,000,000	106,563	—	8,860	—	8,020	4,500	71	1,255	100,450	—	1,	
$1,000,000,000 or more	58,820	30,165	225,582	17,641	17,577	207,747	29,794	43,224	45,528	5,296	19,	
Communication	**106,086**	**69**	**333,830**	**26,609**	**34,837**	**472,291**	**74,708**	**42,197**	**172,184**	**9,325**	**54,**
$250,000,000 under $500,000,000	*	—	*	—	*	*	—	*	*	—		
$500,000,000 under $1,000,000,000	*	—	*	—	*	*	—	*	*	—		
$1,000,000,000 or more	104,117	69	321,166	26,600	30,676	467,866	74,708	42,115	169,169	9,325	51,	
Electric, gas and sanitary services	**553,913**	**14,794**	**1,486,428**	**216,130**	**23,259**	**493,821**	**13,049**	**180,300**	**345,118**	**25,575**	**19,**
$250,000,000 under $500,000,000	—	—	*	—	—	*	—	*	*	—		
$500,000,000 under $1,000,000,000	—	—	*	—	—	*	—	*	*	—		
$1,000,000,000 or more	553,913	14,794	1,436,250	216,120	23,259	493,418	13,049	180,300	344,092	25,575	19,	
Wholesale and retail trade	**590,410**	**23,341**	**5,061,814**	**5,178,831**	**136,951**	**1,649,014**	**960,632**	**422,558**	**582,219**	**25,478**	**70,**
$250,000,000 under $500,000,000	4,971	558	66,736	41,907	14,009	9,414	6,396	862	10,072	547	7	
$500,000,000 under $1,000,000,000	33,963	18,770	132,323	114,070	10,696	682,527	681,670	300	31,877	19,632	1,	
$1,000,000,000 or more	551,476	3,911	5,462,753	5,022,854	162,157	957,073	112,565	421,371	540,269	5,298	68,	
Wholesale trade	**451,784**	**23,341**	**5,318,628**	**5,110,994**	**126,610**	**922,311**	**793,998**	**97,499**	**433,378**	**25,478**	**51,**
$250,000,000 under $500,000,000	4,940	558	59,786	39,210	12,326	9,400	6,385	862	10,014	547	7	
$500,000,000 under $1,000,000,000	33,963	18,770	98,051	81,865	10,696	682,527	681,670	300	31,710	19,632	1,	
$1,000,000,000 or more	412,881	3,911	5,160,787	4,988,930	103,587	230,383	104,951	96,313	391,635	5,298	48,	
Retail trade	**138,626**	**—**	**343,186**	**68,827**	**60,251**	**726,704**	**7,627**	**335,059**	**148,840**	**—**	**19,**
$250,000,000 under $500,000,000	31	—	6,949	2,697	1,681	13	13	—	38	—		
$500,000,000 under $1,000,000,000	—	—	34,271	32,205	—	—	—	—	167	—		
$1,000,000,000 or more	138,595	—	301,966	33,924	58,571	726,690	7,614	335,058	148,635	—	19,	
Finance, insurance and real estate	**1,997,033**	**42,804**	**5,243,635**	**34,603**	**82,960**	**5,036,668**	**77,979**	**228,031**	**1,709,482**	**37,778**	**206,**
$250,000,000 under $500,000,000	91,177	1	35,849	—	5,136	44,257	704	43,279	77,484	—	30,	
$500,000,000 under $1,000,000,000	86,813	—	56,342	17,568	7,000	12,999	106	6,381	124,647	—	3,	
$1,000,000,000 or more	1,707,043	42,804	5,151,644	17,236	70,843	4,978,800	76,268	178,371	1,507,351	37,766	271,	
Banking	**886,784**	**—**	**3,804,997**	**—**	**18,082**	**4,061,916**	**144**	**129,422**	**788,127**	**—**	**16,**
$250,000,000 under $500,000,000	—	—	*	—	—	—	—	—	—	—	—	
$500,000,000 under $1,000,000,000	—	—	*	—	—	—	—	—	—	—	—	
$1,000,000,000 or more	886,784	—	3,794,641	—	18,082	4,061,916	144	129,422	788,127	—	16,	
Insurance carriers	**330,645**	**5,169**	**410,816**	**9,773**	**41,034**	**589,575**	**6,348**	**41,116**	**216,883**	**5,169**	**17,**
$250,000,000 under $500,000,000	—	—	196	—	—	4,334	—	4,330	—	—	—	
$500,000,000 under $1,000,000,000	2,296	—	266	226	—	—	—	—	2,296	—	—	
$1,000,000,000 or more	328,349	5,169	410,353	9,548	41,034	585,241	6,348	36,784	208,397	5,169	17,	
All other finance, insurance and real estate	**669,625**	**37,636**	**1,028,122**	**25,830**	**23,884**	**384,584**	**70,886**	**57,494**	**730,982**	**32,596**	**271,**
$250,000,000 under $500,000,000	*	*	*	*	*	*	*	*	*	*	*	
$500,000,000 under $1,000,000,000	*	*	*	*	*	*	*	*	*	*	*	
$1,000,000,000 or more	491,931	37,635	946,651	7,888	11,726	341,643	69,776	12,166	530,827	32,596	237,	
Services	**83,432**	**245**	**437,084**	**31,048**	**21,123**	**197,194**	**6,098**	**62,713**	**105,979**	**48**	**9,**
$250,000,000 under $500,000,000	16,497	245	55,965	4,750	18,564	16,782	2,601	1,701	20,207	48	8,	
$500,000,000 under $1,000,000,000	9,814	—	7,327	3,406	—	4,972	439	3,144	16,022	—	2,	
$1,000,000,000 or more	57,121	—	373,752	22,893	2,559	175,430	3,016	57,866	69,750	—	—	

*Data deleted to avoid disclosure of information for specific corporations.
†Less than $500.
Note: Detail may not add to total because of rounding.

Table 2.—Number of U.S. Corporation Returns with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Their Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected industry of U.S. corporation filing the return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries (U.S. Parent)	**1,034**	**26,993**	**557,208,923**	**647,877,371**	**36,896,877**	**47,818,786**	**14,493,817**	**14,877,333**	**14,958,375**	**9,436,801**
CFC industries										
Agriculture, forestry and fishing	43	174	702,041	774,686	9,758	68,569	16,863	17,885	9,310	8,244
Mining	127	782	26,356,262	17,758,811	4,784,411	5,608,398	2,692,469	2,675,802	1,831,338	996,589
Construction	58	356	5,891,320	9,399,631	635,609	766,267	247,867	242,252	245,023	137,975
Manufacturing	541	7,882	215,670,841	324,431,580	18,602,215	24,070,286	7,632,331	7,363,231	6,690,545	4,671,870
Transportation and public utilities	155	730	20,505,900	14,716,347	528,574	1,468,297	283,008	286,316	466,057	261,838
Wholesale and retail trade	444	4,861	83,027,190	226,746,827	3,791,375	5,939,755	1,736,467	1,638,921	2,440,661	1,359,625
Finance, insurance and real estate	636	3,867	179,496,977	33,084,458	6,248,836	7,284,923	1,071,071	1,053,498	2,484,021	1,496,453
Services	407	2,655	21,902,522	21,852,378	2,109,596	2,398,863	809,674	787,940	674,593	480,904
Nature of business not allocable	125	286	186,544	132,650	5,704	11,408	2,247	1,907	7,638	2,494
Inactive	663	5,796	3,469,625	—	—	—	—	—	1,168	—
Mining (U.S. Parent)	**50**	**653**	**11,112,768**	**7,114,190**	**1,226,841**	**1,511,632**	**561,550**	**563,452**	**574,477**	**358,571**
CFC industries										
Agriculture, forestry and fishing	*	*	*	*	*	—	—	—	—	—
Mining	32	192	5,714,127	3,957,688	899,301	1,104,548	456,861	459,299	386,777	285,977
Construction	3	43	910,869	674,590	67,475	93,975	33,475	34,505	86,157	29,247
Manufacturing	7	61	944,029	1,021,500	98,933	110,802	40,135	40,601	41,852	27,123
Transportation and public utilities	6	23	129,043	133,046	15,543	22,423	5,753	5,788	1,804	1,804
Wholesale and retail trade	6	30	345,649	551,577	1,261	26,833	5,189	5,361	7	—
Finance, insurance and real estate	26	63	2,841,129	395,027	130,356	132,250	9,959	10,000	56,163	31,577
Services	13	42	156,825	180,267	16,846	20,625	6,129	7,850	2,110	1,036
Nature of business not allocable	*	*	*	*	*	*	*	*	*	*
Inactive	36	191	40,613	—	—	—	—	—	—	—
Oil and gas extraction (U.S. Parent)	**41**	**597**	**10,484,331**	**6,834,598**	**1,175,570**	**1,454,866**	**543,847**	**545,714**	**588,391**	**390,486**
CFC industries										
Agriculture, forestry and fishing	*	*	*	*	*	—	—	—	—	—
Mining	29	182	5,332,840	3,881,198	877,671	1,077,754	451,175	451,613	386,777	285,977
Construction	3	43	910,869	674,590	67,475	93,975	33,475	34,505	86,157	29,247
Manufacturing	5	58	943,517	1,020,440	98,914	110,783	40,134	40,600	41,852	27,123
Transportation and public utilities	4	10	63,744	53,525	5,618	12,246	58	58	—	—
Wholesale and retail trade	*	*	*	*	*	*	*	*	*	—
Finance, insurance and real estate	20	54	2,679,598	364,331	115,635	117,457	7,690	7,731	51,681	27,095
Services	*	*	*	*	*	*	*	*	*	*
Nature of business not allocable	*	*	*	*	*	*	*	*	*	*
Inactive	28	173	40,196	—	—	—	—	—	—	—
Construction (U.S. Parent)	**17**	**322**	**2,279,161**	**8,305,776**	**358,360**	**449,635**	**109,278**	**102,805**	**211,328**	**127,830**
CFC industries										
Agriculture, forestry and fishing	*	*	*	*	*	*	—	—	—	—
Mining	5	65	776,080	438,830	185,399	219,128	39,732	40,264	74,454	54,032
Construction	11	76	753,529	1,723,537	45,661	82,096	13,908	7,228	37,576	14,258
Manufacturing	4	7	33,518	42,169	– 976	782	184	184	43	19
Transportation and public utilities	*	*	*	*	*	*	—	*	—	—
Wholesale and retail trade	*	*	*	*	*	—	—	*	—	—
Finance, insurance and real estate	6	14	203,556	94,993	7,674	12,859	616	616	693	677
Services	9	44	436,388	5,935,300	132,551	134,109	54,681	55,071	98,595	58,835
Nature of business not allocable	*	*	*	*	*	*	*	*	—	—
Inactive	13	100	34,527	—	—	—	—	—	—	—
Manufacturing (U.S. Parent)	**552**	**19,504**	**386,114,087**	**519,077,995**	**29,483,298**	**38,957,732**	**12,163,177**	**11,760,484**	**11,963,949**	**7,921,879**
CFC industries										
Agriculture, forestry and fishing	32	118	449,443	351,380	1,534	45,902	10,088	11,125	9,310	8,244
Mining	70	458	16,972,794	11,016,185	3,364,298	3,944,165	2,137,152	2,118,636	1,009,848	588,884
Construction	32	211	4,103,261	5,750,633	521,824	584,805	198,816	198,756	121,289	94,471
Manufacturing	473	7,091	206,170,022	311,400,810	17,846,869	23,138,170	7,361,067	7,096,071	6,434,249	4,484,449
Transportation and public utilities	82	354	14,265,015	9,913,821	200,231	1,011,033	171,844	173,924	406,373	209,948
Wholesale and retail trade	336	4,038	60,284,176	157,671,736	2,774,858	4,654,354	1,415,617	1,318,768	1,833,075	1,093,622
Finance, insurance and real estate	336	1,857	70,330,313	12,300,460	3,477,676	4,157,785	390,349	368,627	1,716,828	1,089,454
Services	234	1,334	10,948,829	10,543,866	1,290,067	1,410,999	476,376	473,052	422,196	350,224
Nature of business not allocable	90	213	144,372	129,015	5,913	10,521	1,866	1,525	7,549	2,404
Inactive	342	3,832	2,445,872	—	—	—	—	—	1,131	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Their Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing Return and by Selected Industry of Controlled Foreign Corporation — Continued

[Money amounts are in thousands of dollars]

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations							
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions
						Current earnings and profits before taxes	Foreign income taxes (net)		Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Manufacturing—Continued									
Food and kindred products (U.S. Parent)	51	2,209	25,441,838	32,427,586	2,440,687	2,918,188	899,812	885,973	970,427
CFC Industries									
Agriculture, forestry and fishing	7	50	135,744	130,785	9,403	24,919	4,845	5,566	4,256
Mining	*	*	*	*	*	*	*	*	*
Construction	3	6	6,212	13,436	467	770	325	180	1,394
Manufacturing	41	843	14,894,428	24,980,984	1,510,844	2,153,273	751,117	751,363	677,171
Transportation and public utilities	10	36	234,596	328,770	40,512	40,910	7,654	7,657	10,107
Wholesale and retail trade	36	341	2,375,798	5,200,244	212,812	277,736	84,376	83,135	85,122
Finance, insurance and real estate	37	201	5,736,313	1,000,765	271,908	315,697	9,013	6,546	151,855
Services	25	156	1,557,012	776,114	98,092	104,045	32,321	31,631	40,579
Nature of business not allocable	*	*	*	*	*	*	*	*	—
Inactive	35	550	480,883	—	—	—	—	—	—
Chemicals and allied products (U.S. Parent)	76	4,030	56,731,969	67,376,158	5,296,504	6,372,580	2,180,874	2,160,858	1,939,443
CFC Industries									
Agriculture, forestry and fishing	9	35	100,392	92,212	4,326	7,067	1,342	1,471	584
Mining	12	52	3,109,744	1,876,427	887,182	901,798	502,236	510,156	291,330
Construction	3	6	109,405	185,262	3,344	4,971	3,423	3,377	—
Manufacturing	70	1,810	37,531,816	50,163,304	3,416,426	4,203,998	1,360,713	1,331,713	1,180,516
Transportation and public utilities	13	51	982,554	737,471	27,110	86,925	41,982	41,736	17,882
Wholesale and retail trade	56	786	5,922,581	12,702,739	459,169	618,989	196,895	199,431	250,917
Finance, insurance and real estate	53	296	8,166,620	1,210,950	481,654	520,445	63,711	62,211	189,420
Services	35	145	449,686	385,958	19,025	27,552	10,510	10,501	8,765
Nature of business not allocable	18	35	9,644	19,833	299	833	58	62	28
Inactive	65	813	347,725	—	—	—	—	—	—
Petroleum (including integrated) and coal products (U.S. Parent)	36	1,909	101,185,751	191,028,585	7,781,833	10,905,474	3,248,142	3,183,141	3,695,082
CFC Industries									
Agriculture, forestry and fishing	3	4	12,902	941	−132	495	14	14	—
Mining	23	222	11,087,130	7,728,221	2,399,619	2,863,469	1,567,917	1,555,097	629,729
Construction	4	8	403,130	657,672	29,773	30,927	—	22	6,633
Manufacturing	22	361	34,990,796	71,081,176	3,482,155	4,306,718	1,107,119	1,110,959	1,228,973
Transportation and public utilities	16	97	8,171,749	4,737,582	−171,896	471,775	48,431	52,476	236,184
Wholesale and retail trade	24	493	29,902,353	103,884,510	770,070	1,793,086	483,728	403,874	1,037,022
Finance, insurance and real estate	28	168	15,762,500	2,415,791	1,250,469	1,393,574	34,892	34,582	553,583
Services	16	90	187,798	297,368	20,632	24,245	5,424	5,499	2,282
Nature of business not allocable	10	18	14,884	25,321	1,146	1,164	617	617	676
Inactive	32	428	672,507	—	—	—	—	—	—
Primary metal industries (U.S. Parent)	36	1,039	18,446,250	10,378,582	436,799	910,097	221,890	177,297	323,707
CFC Industries									
Agriculture, forestry and fishing	3	7	13,480	431	−308	630	−37	−62	—
Mining	11	57	1,454,583	435,008	27,983	44,355	23,457	22,135	37,409
Construction	*	*	*	*	*	*	*	*	*
Manufacturing	32	312	6,118,654	6,073,767	145,485	391,160	137,482	101,365	178,168
Transportation and public utilities	11	40	2,326,852	1,437,241	140,945	170,700	18,949	16,290	41,700
Wholesale and retail trade	16	131	869,413	1,207,847	22,039	47,367	15,001	9,921	24,890
Finance, insurance and real estate	28	193	5,073,665	946,945	68,857	215,307	16,026	14,841	35,081
Services	12	74	482,602	272,071	32,569	40,395	12,934	12,780	6,078
Nature of business not allocable	*	*	*	*	*	*	*	*	*
Inactive	23	231	89,772	—	—	—	—	—	—
Machinery, except electrical (U.S. Parent)	71	2,285	49,883,015	50,132,521	6,235,353	6,954,536	2,602,094	2,542,435	1,657,074
CFC Industries									
Agriculture, forestry and fishing	*	*	*	*	*	*	*	*	*
Mining	6	70	491,422	491,222	70,966	80,854	24,483	24,299	8,710
Construction	5	21	100,404	363,085	13,511	15,269	2,467	2,328	11,672
Manufacturing	64	803	28,393,826	30,902,778	4,458,059	4,858,143	1,942,979	1,901,328	1,086,829
Transportation and public utilities	*	*	*	*	*	*	—	—	*
Wholesale and retail trade	41	516	8,704,420	11,202,097	584,559	772,844	251,593	239,863	136,111
Finance, insurance and real estate	42	191	6,869,706	1,504,137	363,093	423,947	75,095	71,658	188,243
Services	33	267	5,145,562	5,863,056	761,893	799,841	305,228	302,711	221,461
Nature of business not allocable	4	10	14,490	4,034	2,796	2,803	249	249	2,925
Inactive	50	402	127,919	—	—	—	—	—	47

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Their Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation — Continued

[Money amounts are in thousands of dollars]

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Manufacturing — Continued										
Electrical and electronic equipment (U.S. Parent)	58	2,448	34,505,341	38,121,000	2,074,498	2,843,045	743,207	719,078	925,265	589,938
CFC Industries										
Agriculture, forestry and fishing	*	*	*	*	*	*	*	*	*	*
Mining	5	34	373,634	205,910	17,800	22,119	15,893	15,716	1,971	1,467
Construction	6	37	1,056,269	1,235,489	107,369	118,192	38,803	39,191	26,219	24,646
Manufacturing	46	933	17,815,871	27,150,303	1,266,795	1,814,514	475,957	462,278	555,549	329,207
Transportation and public utilities	7	44	1,619,696	2,223,754	115,218	145,758	48,840	48,629	55,753	51,789
Wholesale and retail trade	36	408	2,593,604	4,015,204	116,958	195,896	63,720	64,345	53,778	27,303
Finance, insurance and real estate	29	293	9,260,588	1,715,674	320,667	387,106	48,748	37,540	177,389	117,004
Services	28	224	1,308,486	1,562,476	129,352	158,482	51,386	51,295	53,832	38,522
Nature of business not allocable	*	*	*	*	*	*	*	*	*	—
Inactive	37	428	449,867	—	—	—	—	—	696	—
Motor vehicles and equipment (U.S. Parent)	20	978	45,166,143	63,628,429	521,995	2,153,713	481,379	382,229	555,269	289,110
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	*	*	*	—	—	—	—	—	—	—
Construction	*	*	*	—	*	*	*	*	*	*
Manufacturing	19	306	30,344,585	54,447,764	146,494	1,535,813	333,194	239,057	354,705	212,609
Transportation and public utilities	3	10	72,014	32,179	– 653	2,930	1,598	833	—	—
Wholesale and retail trade	14	336	2,396,165	6,325,880	52,283	138,700	44,870	42,885	61,391	15,631
Finance, insurance and real estate	15	157	12,164,713	2,625,235	307,652	452,420	94,859	92,336	132,606	56,639
Services	10	49	139,736	169,318	16,528	17,588	6,548	6,557	6,247	4,162
Nature of business not allocable	3	4	373	7	27	43	—	—	—	—
Inactive	15	111	10,063	—	—	—	—	—	—	—
Instruments and related products (U.S. Parent)	20	783	10,090,581	14,783,702	1,190,913	1,361,125	437,441	441,335	342,610	296,913
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	—	—	—	—	—	—	—	—	—	—
Construction	*	*	*	—	*	*	*	*	*	*
Manufacturing	17	262	5,864,948	8,222,580	816,019	898,230	286,235	292,530	238,192	213,011
Transportation and public utilities	*	*	*	—	*	*	—	—	—	—
Wholesale and retail trade	13	305	3,396,665	6,132,739	326,866	397,551	136,982	137,397	78,923	65,577
Finance, insurance and real estate	14	33	518,357	74,112	39,106	41,139	1,556	964	20,004	16,237
Services	9	46	112,952	135,309	5,392	10,574	4,579	4,794	436	395
Nature of business not allocable	3	6	23,862	37,901	2,949	3,054	846	846	3,290	—
Inactive	14	100	17,284	—	—	—	—	—	73	—
Transportation and public utilities (U.S. Parent)	**102**	**1,278**	**22,138,987**	**14,364,817**	**1,470,953**	**1,668,864**	**336,643**	**334,520**	**467,800**	**347,103**
CFC Industries										
Agriculture, forestry and fishing	*	*	*	*	*	*	*	*	*	*
Mining	9	43	2,616,597	2,092,784	293,659	304,712	42,736	42,489	139,501	79,944
Construction	4	8	6,265	4,596	– 635	39	162	444	—	—
Manufacturing	18	213	2,838,268	3,883,020	257,525	321,315	96,193	96,779	92,862	67,396
Transportation and public utilities	39	248	5,285,445	4,158,711	351,856	392,807	95,511	96,792	56,401	49,046
Wholesale and retail trade	10	139	1,046,347	2,364,635	24,647	67,728	17,448	14,131	10,076	5,718
Finance, insurance and real estate	65	149	9,063,874	1,101,086	411,693	433,378	37,893	38,754	137,641	122,260
Services	32	131	1,150,066	756,257	132,027	148,505	46,446	44,879	31,320	22,738
Nature of business not allocable	*	*	*	*	*	*	*	*	—	—
Inactive	57	336	125,911	—	—	—	—	—	—	—
Wholesale and retail trade (U.S. Parent)	**107**	**1,386**	**29,940,210**	**71,807,691**	**1,400,278**	**1,747,291**	**409,474**	**411,957**	**706,887**	**316,220**
CFC Industries										
Agriculture, forestry and fishing	3	15	85,143	244,941	– 3,236	5,084	617	617	—	—
Mining	8	33	211,443	204,158	25,695	34,562	14,006	13,986	20,759	7,781
Construction	3	6	24,623	20,316	2,869	3,150	1,503	1,503	—	—
Manufacturing	24	123	2,592,374	3,564,259	164,164	212,073	57,159	57,747	50,070	26,839
Transportation and public utilities	13	49	424,076	311,825	– 58,687	15,615	3,442	3,493	1,611	1,240
Wholesale and retail trade	69	516	18,053,113	63,523,640	983,366	1,125,793	273,780	276,817	579,072	248,726
Finance, insurance and real estate	47	195	7,347,127	3,450,766	253,000	289,352	47,449	46,628	47,473	27,557
Services	30	106	940,364	485,431	52,916	61,346	11,410	11,076	7,819	3,995
Nature of business not allocable	12	25	6,936	2,356	189	315	106	106	82	82
Inactive	57	318	255,012	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of their Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation — Continued

[Money amounts are in thousands of dollars]

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	*Number of U.S. corporation returns	Controlled Foreign Corporations							
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions
						Current earnings and profits before taxes	Foreign income taxes (net)		Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Finance, insurance, and real estate (U.S. Parent)	**154**	**2,721**	**99,820,277**	**22,360,967**	**2,288,743**	**2,757,184**	**745,458**	**737,558**	**631,284**
CFC Industries									
Agriculture, forestry and fishing	*	*	*	*	*	*	*	*	—
Mining	3	3	65,221	49,166	−3,938	1,286	—	923	—
Construction	*	*	*	*	*	—	—	*	—
Manufacturing	12	129	2,731,850	4,042,239	195,177	236,945	63,150	57,455	70,384
Transportation and public utilities	9	33	216,494	46,806	3,580	9,177	−22	−9	66
Wholesale and retail trade	14	98	2,674,990	1,157,149	12,351	32,648	11,107	10,264	15,481
Finance, insurance and real estate	126	1,347	89,097,863	15,639,475	1,949,167	2,229,249	583,869	587,925	521,966
Services	52	310	4,278,057	1,417,954	231,284	275,806	87,365	81,206	23,326
Nature of business not allocable	10	22	2,526	48	−43	57	12	13	(1)
Inactive	82	772	496,228	—	—	—	—	—	57
Banking (U.S. Parent)	**61**	**804**	**67,540,101**	**8,745,889**	**1,414,485**	**1,526,453**	**383,888**	**364,316**	**173,381**
CFC Industries									
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—
Mining	*	*	*	*	*	*	*	—	—
Construction	—	—	—	—	—	—	—	—	—
Manufacturing	*	*	*	*	*	*	*	*	—
Transportation and public utilities	3	19	92,701	—	2,830	3,565	—	—	—
Wholesale and retail trade	*	*	*	*	*	*	*	*	—
Finance, insurance and real estate	52	485	65,068,425	8,294,517	1,295,830	1,396,142	336,537	337,583	171,619
Services	25	88	2,151,405	431,568	118,504	125,291	27,042	26,624	1,761
Nature of business not allocable	*	*	*	—	—	—	—	—	—
Inactive	32	201	192,933	—	—	—	—	—	1
Insurance carriers (U.S. Parent)	**43**	**705**	**14,315,037**	**5,985,555**	**434,813**	**588,265**	**156,708**	**150,873**	**103,069**
CFC Industries									
Agriculture, forestry and fishing	*	*	*	*	*	*	*	*	—
Mining	*	*	*	*	*	—	—	*	—
Construction	*	*	*	*	*	—	—	*	—
Manufacturing	5	56	578,162	771,103	20,956	50,902	15,259	14,755	12,697
Transportation and public utilities	3	3	1,626	226	−122	—	—	—	—
Wholesale and retail trade	5	26	68,819	103,200	5,964	7,937	3,798	3,813	1,845
Finance, insurance and real estate	36	345	11,835,915	4,121,590	335,783	420,020	96,856	90,188	73,432
Services	15	122	1,758,295	862,042	72,300	107,381	40,838	35,414	15,295
Nature of business not allocable	4	11	395	1	−30	29	(1)	(1)	—
Inactive	21	136	28,380	—	—	—	—	—	—
Services (U.S. Parent)	**48**	**1,018**	**5,153,991**	**3,461,367**	**338,908**	**456,886**	**150,743**	**149,715**	**94,162**
CFC Industries									
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—
Mining	—	—	—	—	—	—	—	—	—
Construction	*	*	*	*	*	*	—	—	—
Manufacturing	4	30	229,242	306,811	31,083	38,256	8,859	8,804	1,161
Transportation and public utilities	4	12	63,869	116,881	13,114	13,766	5,537	5,537	—
Wholesale and retail trade	6	28	203,480	439,652	28,383	28,092	10,416	9,873	2,950
Finance, insurance and real estate	23	39	592,080	71,139	18,558	29,539	786	817	790
Services	38	663	3,949,735	2,503,587	251,512	344,986	125,134	124,672	89,257
Nature of business not allocable	*	*	*	*	*	*	*	*	—
Inactive	33	214	68,771	—	—	—	—	—	—

*Data deleted to avoid disclosure of information for specific corporations.
(1)Less than $500.
Note: Detail may not add to total because of rounding and because agriculture, forestry and fishing is not shown for U.S. parent corporations.

Table 3.—Number of U.S. Corporation Returns with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Selected Transactions of Their Controlled Foreign Corporations, by Selected Industry of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected industry of Controlled Foreign Corporations	Number of U.S. corporation returns	Controlled Foreign Corporations							
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign income taxes (net)	Distributions		Selected receipts by foreign corporations from:
							Total	Out of current earnings and profits	All related persons
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All industries, total	1,034	26,993	557,208,923	647,877,371	36,896,077	14,077,332	14,858,378	9,439,901	97,583,991
Agriculture, forestry and fishing	43	174	702,041	774,696	9,758	17,286	9,310	8,244	98,851
Mining	127	752	26,356,263	17,758,811	4,784,411	2,875,903	1,831,338	996,599	4,947,748
Oil and gas extraction	94	563	21,272,169	15,842,511	4,722,394	2,607,421	1,470,563	950,526	4,614,129
Construction	58	358	5,891,329	8,399,531	635,809	242,253	246,722	137,978	738,789
Manufacturing	541	7,982	215,670,841	324,451,580	18,602,215	7,364,231	6,880,548	4,671,870	82,362,837
Food and kindred products	76	731	14,320,545	24,973,243	1,843,456	716,151	659,006	506,886	1,497,287
Chemicals and allied products	131	1,856	38,717,673	50,885,687	3,225,104	1,403,205	1,187,963	824,153	6,866,304
Petroleum (including integrated) and coal products	30	141	34,834,190	70,367,086	3,624,940	1,071,356	1,144,446	904,053	8,860,529
Fabricated metal products	146	677	7,081,662	9,315,207	712,807	336,347	251,135	148,561	819,108
Machinery except electrical	139	744	13,442,259	15,841,455	897,135	487,839	319,633	199,454	2,750,698
Electrical and electronic equipment	132	1,036	33,349,305	43,489,807	4,683,444	1,915,7[illegible]	1,207,878	1,012,788	9,320,986
Motor vehicles and equipment	47	287	30,392,151	54,595,250	362,570	261,024	492,311	242,323	19,875,522
Transportation and public utilities	155	730	20,505,606	14,716,347	626,574	296,318	496,867	261,836	3,966,963
Water transportation	80	394	10,358,552	5,026,167	−329,836	16,934	236,783	46,966	3,214,293
Wholesale and retail trade	444	4,961	83,027,190	226,748,827	3,791,375	1,838,921	2,448,961	1,359,635	25,238,364
Wholesale trade	400	4,053	70,949,811	201,957,791	3,147,059	1,378,112	1,933,403	1,138,057	24,609,299
Finance, insurance and real estate	638	3,867	179,466,977	33,064,488	6,248,838	1,053,498	2,484,021	1,496,463	17,964,572
Banking	61	246	46,147,096	6,037,391	686,053	156,071	138,801	78,152	2,791,251
Credit agencies other than banks	186	673	51,585,726	7,299,330	1,354,732	310,175	179,411	147,147	5,301,919
Insurance carriers	254	504	23,009,126	7,619,863	1,314,998	121,732	419,811	311,719	1,704,181
Holding and other investment companies, except bank holding companies	365	1,189	47,911,431	6,404,654	2,302,395	295,361	1,800,756	973,859	6,051,849
Services	407	2,665	21,902,523	21,852,378	2,109,586	797,948	674,583	498,904	3,168,538
Business services	266	1,488	12,464,105	9,071,272	1,270,910	477,972	333,682	278,983	1,845,980
Nature of business not allocable	125	298	186,544	132,650	5,704	1,907	7,638	2,494	7,373
Inactive	663	5,786	3,469,625	—	—	—	1,188	—	—

Selected industry of Controlled Foreign Corporations	Controlled Foreign Corporations — Continued								
	Selected receipts by foreign corporations from — Continued								
	U.S. corporation filing return				Any domestic corporation controlled by U.S. corporation filing return				Any foreign corporation controlled by U.S. corporation filing return
	Total	Sales of stock in trade	Compensation received for certain services	Amounts borrowed	Total	Sales of stock in trade	Compensation received for certain services	Amounts borrowed	Total
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All industries, total	51,166,875	40,269,992	1,706,239	4,788,204	18,799,809	10,640,308	2,035,996	3,370,186	37,292,277
Agriculture, forestry and fishing	59,063	55,754	1,771	1,898	9,030	3,511	18	5,448	28,157
Mining	841,644	572,209	19,143	193,582	2,930,288	2,832,018	7,470	38,378	979,490
Oil and gas extraction	651,446	404,905	18,960	174,748	2,879,314	2,786,296	7,455	34,561	887,005
Construction	74,849	15,079	33,022	22,831	149,356	62,216	75,462	7,282	884,586
Manufacturing	27,817,418	24,958,650	700,166	1,738,192	5,117,815	3,873,995	776,323	296,595	19,821,291
Food and kindred products	412,258	240,910	10,162	139,591	157,562	83,586	3,227	62,034	863,788
Chemicals and allied products	2,247,277	1,450,476	97,214	654,656	419,530	258,283	39,110	75,652	4,189,182
Petroleum (including integrated) and coal products	5,929,092	5,807,159	69,119	7,681	1,460,931	1,394,027	39,193	1,896	1,270,507
Fabricated metal products	191,251	110,387	9,456	56,822	56,449	34,713	2,116	15,123	571,408
Machinery except electrical	1,232,504	992,745	58,461	135,404	133,245	88,825	24,474	3,034	1,384,949
Electrical and electronic equipment	3,302,784	2,954,942	251,436	53,490	1,881,786	1,314,701	485,297	53,161	4,136,384
Motor vehicles and equipment	11,646,852	10,869,587	77,964	478,480	372,654	187,974	160,710	3,753	4,845,064
Transportation and public utilities	1,261,913	373,190	482,048	204,274	985,543	70,066	483,083	6,048	2,023,441
Water transportation	949,740	326,650	438,704	115,846	459,020	43,425	329,063	5,726	1,805,533
Wholesale and retail trade	15,519,538	14,236,260	162,906	599,634	3,840,985	3,510,101	108,991	74,086	5,876,507
Wholesale trade	15,294,715	14,045,427	157,413	593,061	3,790,281	3,468,128	107,370	54,341	5,523,221
Finance, insurance and real estate	4,756,870	49,503	14,329	1,793,045	5,101,309	163,312	78,385	2,751,641	7,206,293
Banking	532,212	—	6,329	353,748	1,868,227	—	14,058	1,568,433	370,813
Credit agencies other than banks	1,826,088	186	2,210	513,683	1,683,459	92	586	1,044,508	1,792,291
Insurance carriers	532,439	—	1,058	32,698	430,141	35,339	3,463	20,951	741,801
Holding and other investment companies, except bank holding companies	1,684,386	2,721	4,214	856,252	637,123	13,168	13,146	49,150	3,730,338
Services	833,681	128,748	294,670	235,685	985,133	125,627	506,066	219,803	1,347,043
Business services	442,360	113,460	184,756	28,829	648,671	124,815	283,956	174,039	754,413
Nature of business not allocable	1,301	629	286	62	553	—	—	47	5,519
Inactive	—	—	—	—	—	—	—	—	—

Footnote at end of table.

Table 3.—Number of U.S. Corporation Returns with Total Assets of $250 Million or More and Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Selected Transactions of Their Controlled Foreign Corporations, by Selected Industry of Controlled Foreign Corporation — Continued

[Money amounts are in thousands of dollars]

Selected industry of Controlled Foreign Corporations	Controlled Foreign Corporations — Continued								
	Receipts by — Continued			Selected payments by foreign corporations to:					
	Any foreign corporation controlled by U.S. corporation filing return — Continued			All related persons	U.S. corporation filing return				
	Sales of stock in trade	Compensation received for certain services	Amounts borrowed		Total	Purchases of stock in trade	Compensation paid for certain services	Amounts loaned	Dividends paid
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
All industries, total	13,538,947	3,453,899	11,821,429	151,422,896	74,905,621	48,585,558	1,889,422	14,095,277	4,828,782
Agriculture, forestry and fishing	5,066	1,333	17,246	377,037	322,786	306,659	1,736	—	4,467
Mining	221,324	53,853	400,861	3,766,647	1,587,117	114,777	81,779	625,701	448,386
Oil and gas extraction	220,911	51,806	332,016	3,450,129	1,461,463	82,433	77,407	623,647	386,920
Construction	35,001	310,501	31,836	1,258,766	197,467	43,341	40,254	25,291	11,789
Manufacturing	10,813,662	1,554,184	4,325,415	63,736,114	33,042,407	24,383,606	1,267,836	1,242,955	2,891,214
Food and kindred products	427,789	37,677	209,993	2,136,061	833,502	334,966	49,090	100,332	242,187
Chemicals and allied products	1,041,755	293,292	2,417,192	7,771,947	3,733,914	2,046,631	198,523	95,992	675,384
Petroleum (including integrated) and coal products	21,063	193,145	322,229	12,174,367	5,743,725	5,244,112	16,062	170,879	303,218
Fabricated metal products	323,600	41,712	144,605	1,153,909	514,502	249,503	22,590	41,530	109,084
Machinery except electrical	814,539	50,197	266,469	3,555,847	2,286,941	1,671,077	67,904	172,619	169,842
Electrical and electronic equipment	3,071,190	364,017	435,000	13,340,146	4,927,590	3,690,396	309,519	24,262	243,395
Motor vehicles and equipment	3,960,764	448,436	170,438	14,294,716	9,899,604	8,245,296	425,439	532,776	203,834
Transportation and public utilities	106,630	220,543	1,258,193	2,312,869	372,611	69,701	121,581	32,078	94,189
Water transportation	52,645	171,707	1,195,581	1,625,560	249,490	27,096	57,105	32,075	90,515
Wholesale and retail trade	2,256,994	423,168	2,323,520	46,136,951	24,736,244	22,960,972	200,453	287,131	866,138
Wholesale trade	2,054,163	412,043	2,239,321	44,158,786	23,927,617	22,356,037	172,967	280,395	760,411
Finance, insurance and real estate	78,450	181,791	3,222,863	29,761,472	13,375,087	375,446	43,970	11,387,824	710,197
Banking	—	4,862	295,667	2,968,105	506,479	—	15,056	107,303	6,914
Credit agencies other than banks	236	77,473	1,203,180	12,612,860	7,781,114	305,947	5,736	7,270,843	31,128
Insurance carriers	—	9,634	27,602	823,214	232,105	—	12,027	21,448	191,917
Holding and other investment companies, except bank holding companies	46,852	66,262	1,376,213	12,524,800	4,592,567	60,867	9,670	3,822,193	448,984
Services	19,409	708,340	240,449	4,037,324	1,280,827	301,807	111,718	484,271	109,379
Business services	8,840	491,965	87,479	2,184,540	604,469	191,808	35,862	283,989	66,236
Nature of business not allocable	2,291	186	1,144	32,330	11,074	9,247	80	27	—
Inactive	—	—	—	1,186	—	—	—	—	—

Selected industry of Controlled Foreign Corporations	Controlled Foreign Corporations — Continued								
	Selected payments by foreign corporations to — Continued								
	Any domestic corporation controlled by U.S. corporation filing return					Any foreign corporation controlled by U.S. corporation filing return			
	Total	Purchases of stock in trade	Compensation paid for certain services	Amounts loaned	Dividends paid	Total	Purchases of stock in trade	Compensation paid for certain services	Amounts loaned	Dividends paid
	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)
All industries, total	41,570,005	21,549,818	1,521,320	8,099,774	5,547,259	34,923,475	12,156,187	3,626,807	10,797,177	3,366,022
Agriculture, forestry and fishing	20,308	14,904	21	1,598	3,567	33,944	314	1,638	25,481	1,271
Mining	918,806	19,588	50,114	4,999	642,972	1,280,553	53,156	67,349	481,719	327,751
Oil and gas extraction	835,411	18,569	48,330	4,124	573,821	1,153,085	53,156	60,473	446,803	307,219
Construction	634,847	370,194	90,372	16,197	137,665	426,452	3,427	193,911	43,789	69,615
Manufacturing	16,133,866	9,985,739	866,992	761,506	2,255,172	14,550,699	7,355,375	2,217,885	1,685,803	1,515,391
Food and kindred products	572,746	187,467	32,061	30,857	242,536	727,260	198,261	71,484	160,563	153,981
Chemicals and allied products	1,742,371	1,140,323	162,048	27,662	246,297	2,295,081	821,785	475,393	376,909	228,151
Petroleum (including integrated) and coal products	5,532,620	4,505,405	131,507	362,762	355,184	898,022	23,922	170,606	145,886	402,850
Fabricated metal products	290,703	187,319	8,145	1,605	72,096	348,585	129,943	17,487	93,460	65,331
Machinery except electrical	460,643	229,885	36,242	48,598	99,174	806,263	330,070	58,539	225,317	36,767
Electrical and electronic equipment	4,603,275	2,236,727	211,172	132,222	810,839	3,807,175	2,626,105	443,948	405,052	136,340
Motor vehicles and equipment	715,700	303,475	196,622	64,447	133,096	3,679,411	2,406,150	828,193	35,464	114,978
Transportation and public utilities	649,592	438,349	54,527	3,714	112,583	1,297,853	127,073	86,510	382,675	191,895
Water transportation	369,924	291,779	23,679	3,566	45,879	985,964	56,836	39,046	380,267	75,815
Wholesale and retail trade	11,810,820	10,397,105	147,532	74,402	1,015,443	9,581,920	4,499,033	469,065	3,448,523	487,300
Wholesale trade	11,120,726	10,091,349	144,533	69,842	677,891	9,109,102	4,260,743	443,402	3,395,759	423,617
Finance, insurance and real estate	9,611,215	80,463	58,432	6,977,197	931,311	6,774,204	77,873	138,397	4,522,449	693,845
Banking	1,944,376	—	16,257	1,101,869	119,911	517,250	—	3,702	286,365	8,300
Credit agencies other than banks	3,318,098	—	18,604	3,041,113	91,131	1,513,345	55	64,358	819,256	53,855
Insurance carriers	230,186	2,701	3,552	33,356	140,008	360,845	—	22,849	77,431	65,470
Holding and other investment companies, except bank holding companies	3,679,773	14,380	5,235	2,713,410	540,924	4,051,896	52,126	18,209	3,206,192	464,310
Services	1,783,313	240,850	256,312	260,161	443,968	972,680	35,733	450,300	202,305	96,844
Business services	1,009,866	217,258	71,468	112,319	204,747	569,723	24,867	307,419	70,546	57,104
Nature of business not allocable	6,310	2,625	18	1	3,653	14,912	4,202	1,749	4,631	3,450
Inactive	926	—	—	—	926	258	—	—	—	—

Note: Detail may not add to total because of rounding.

Crude Oil Windfall Profit Tax, Third Quarter 1985

By Edward Chung*

The Crude Oil Windfall Profit Tax Act of 1980 imposed a Federal excise tax on domestic crude oil extracted on or after March 1, 1980.

Tables 1 through 3 provide summary data for the third quarter of 1985, while Tables 4 through 6 give the cumulative results for the first nine months of 1985. Figures A and B, as well as Table 7, provide a historical perspective.

The reported amount of tier one (70 percent) Sadlerochit oil, on which tax was paid, dropped from 88.5 million barrels in the first quarter of 1985 to 2.7 million barrels in the second quarter. The same phenomenon occurred again in the third quarter of 1985. The decline was primarily due to the removal price falling below the adjusted base price. Reported production of tier three oil declined for the same reason.

Tables 1 and 2 each show a negative windfall profit for tier three oil and a positive windfall profit tax liability. The loss is a result of either the adjusted base value plus State severance tax adjustment being larger than the removal value or taxpayer reporting errors. However, even though a loss was reported by some producers there cannot be a negative tax liability.

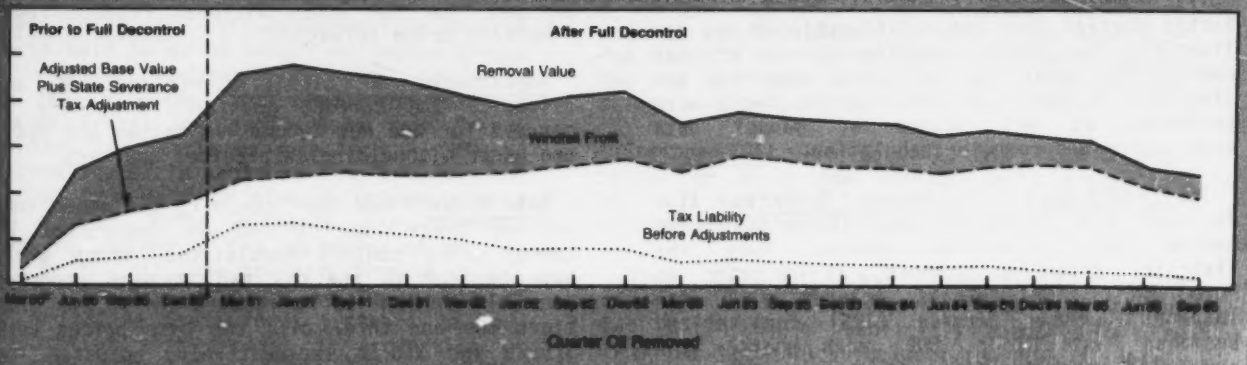
DATA SOURCES AND LIMITATIONS

The windfall profit tax is reported on the Quarterly Federal Excise Tax Return, Form 720. Form 6047, Windfall Profit Tax, shows how the tax is computed and is filed as an attachment to Form 720. Tabulations in this article are based on the Form 6047. Returns are due 2 months after the end of the quarter in which the oil is removed. Data are based on all returns with a tax liability of $1 million or more before adjustments and a 10-percent sample of all other returns.

Sampling and nonsampling errors were controlled by a variety of methods. Although

Figure A

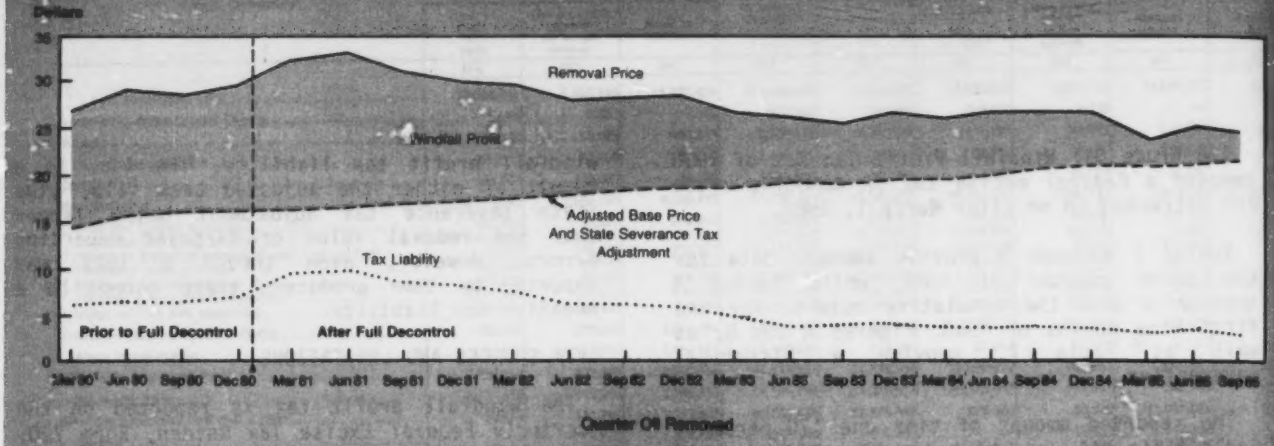
Components[1] of Windfall Profit Tax Liability Before Adjustments: Aggregate Values By Quarter Oil Removed



[1]Some returns report windfall profit tax liability only; therefore, data for removal value, adjusted base value and state severance tax adjustment have been adjusted to reflect data as if all returns reported this detail.
[2]One month only.

*Foreign Special Projects Section. Prepared with the assistance of Patricia Slaughter under the direction of Michael Alexander, Chief.

Figure B
Components of Windfall Profit Tax Liability:
Averages per Barrel by Quarter Oil Removed



NOTE: Because of price controls during 1980, there were cases where the removal price was less than the adjusted base price and no Form 6047 was filed. The data in the figure are based on information reported.

[1]One month only.

efforts were made to secure missing returns, some returns may have been omitted because of time and resource constraints. Attempts were made to correct imbalances in taxpayer entries for the components of windfall profit. If this proved impossible, an out-of-balance return was treated as a return on which the components were not reported, and therefore only the tax liability for each tier was tabulated. However, for returns that did not report the tax computation detail (for Figures A and B only), the components were estimated using a factor derived from the relationship of the tax liability for those reporting all of the tax computation detail to the total reported tax liability. A number of verification checks were performed at all stages of manual data abstraction and computer tabulation.

The Statistics of Income Bulletin also includes data on excise tax collections. The excise tax collection figures show the liability after adjustments, as reported on Form 720, from returns entered into the Internal Revenue Service (IRS) computerized Business Master File (BMF) each quarter. A number of considerations affect comparisons of data from these two sources. Returns are not due until 2 months after the close of the taxable quarter; however, the interval between the close of the taxable period and the final recording of the return often varies, so that the quarterly BMF totals may represent more than one taxable period. On the other hand, the data presented here have been tabulated for specific taxable periods. As a result, the two sets of statistics are not directly comparable.

DEFINITIONS

Brief definitions of the terms used in the tables are given.

Adjusted Base Price.--The base price multiplied by the inflation adjustment, which is derived from the Gross National Product (GNP) "implicit price deflator."

Adjustments to Liability.--Corrections applied to the current quarter's liability to correct for the net income limitation and over- and under-withholding in previous quarters.

Base Price.--For tier one oil, the upper tier ceiling price, as defined by Department of Energy price control regulations, which would have applied to the oil had it been produced and sold in May 1979, reduced by $0.21. For tiers two and three oil, the base prices were $15.20 and $16.55, respectively, adjusted for grade and quality.

Crude Oil.--The term applies only to natural crude petroleum and does not include synthetic petroleum, such as oil from shale or tar sands. It does, however, include natural gas liquids treated as crude oil under the June 1979 energy pricing regulations issued by the Department of Energy.

Deposit Requirements.--The timing of any rst purchaser to deposit amounts withheld ends on the identity of the first pur- ser. Major refiners, other than independent finers, are required to make semimonthly posits of the withholding tax. All other rst purchasers are required to make with- ding deposits no later than 45 days after oil is removed from the premises, except dependent refiners that purchase oil under ayed payments contracts. The latter are uired to make deposits by the first day of third month beginning after the month of oval.

Exempt Alaskan Oil.--Oil from a reservoir er than the Sadlerochit reservoir that has n commercially exploited by any well north the Arctic Circle; and oil produced north of divides of the Alaska and Aleutian Ranges, at least 75 miles from the nearest point of Trans-Alaskan Pipeline System.

Exempt Charitable Oil.--Oil produced from nomic interests held by qualified charitable dical facilities, educational institutions, child care organizations (as defined in In- nal Revenue Code section 170), if such in- rests were held on January 21, 1980, and at times thereafter; and oil produced from erests held by a church on January 21, 1980, before January 22, 1980, the net proceeds such oil were dedicated to the support of edical facility, educational institution, or ld care facility.

Exempt Governmental Oil.--Oil produced from economic interest held by a state or a po- ical subdivision (including agencies and strumentalities), the net income from which used for public purposes.

Exempt Indian Oil.--Oil produced from mineral erests held by or on behalf of Indian tribes individuals on January 21, 1980, which is of the following: (a) production received Indian tribes and individuals from Tribal st Lands (the title to such land is held by United States in trust for the tribes); (b) duction from land or mineral interests held an Indian tribe eligible for services vided to Indians by the Secretary of the In- ior; or (c) oil, the proceeds from which are d into the U.S. Treasury to the credit of bal or native trust funds pursuant to law. s exemption also applies to production of Alaskan Native Corporation prior to 1991, luding wholly-owned subsidiaries of such porations.

Exempt Royalty Oil.--Qualified royalty owners exempt from the windfall profit tax on two rels of oil per day for each day of the cal- ar quarter for oil removed after December 1981. For 1985 and thereafter, three bar- s per day will be exempt.

Exempt Stripper Oil.--Oil removed from stripper wells may qualify for exemption from the windfall profit tax if the following conditions are met:

(1) The oil must be removed from a stripper well property after 1982;
(2) The oil must be extracted by an independent producer;
(3) The oil must be attributable to the independent producer's working interest in the property; and
(4) The stripper well property must not be a property transferred by a nonindependent producer on or after July 23, 1981.

Net Income Limitation.--The windfall profit on a barrel of oil may not exceed 90 percent of the net income attributable to the barrel.

Net Revenue.--This equals the gross revenue from the windfall profit tax, or excise tax (excluding that amount attributable to U.S. government interests), less the reduction of income tax resulting from taxpayers claiming deductions for windfall profit tax paid. Figures presented in this report are the gross liabilities reported by the withholding agents on Form 6047 and are before the reductions mentioned above.

Removal Price.--Generally, the price for which a barrel of oil is sold. In some instances, a constructive sales price is used.

Sadlerochit Oil.--Crude oil production from the Sadlerochit reservoir in the Prudhoe Bay oil field in Alaska.

State Severance Tax Adjustment.--A tax imposed by a state with respect to the extraction of oil. The windfall profit is reduced by the amount by which the severance tax exceeds that which would have been imposed had the oil been valued at its adjusted base price.

Stripper Oil.--In general, oil from a property for which the average daily production per well has been 10 barrels or less for any consecutive 12-month period after 1972.

Tier One Oil.--All domestically-produced crude oil other than any oil classified in tier two or three, or explicitly exempted by law from the tax. This includes the bulk of domestic oil from reservoirs proven to be productive before 1979.

Tier Two Oil.--Any oil from a stripper well property within the meaning of the June 1979 Department of Energy pricing regulations and oil from a U.S. economic interest in a Naval Petroleum Reserve. Note that the Crude Oil Windfall Profit Tax Act of 1980 defined tier two oil as from a "National" Petroleum Reserve. This was

amended to read "Naval" Petroleum Reserve by the Technical Corrections Act of 1982.

Tier Three Oil, Heavy Oil.--All crude oil (1) produced from property that had a weighted average gravity of 16.0 degrees or less on the American Petroleum Institute (API) scale, corrected to 60 degrees Fahrenheit, for the last month of production before July 1979, or (2) oil from a property with a weighted average gravity of 16.0 degrees API or less, corrected to 60 degrees Fahrenheit, for the taxable period.

Tier Three Oil, Incremental Tertiary Oil.--Production in excess of a base level on a property on which a qualified tertiary recovery project (one using one of several specific chemical, fluid or gaseous recovery methods to extract oil not recoverable using standard tech niques) has been undertaken. The nonincrement oil (i.e., the amount of production up to th base level) remains in the otherwise applicabl tier.

Tier Three Oil, Newly Discovered Oil.--Cru oil sold after May 31, 1979, and produced fr (1) an outer continental shelf area for whi the lease was entered into on or after Janua 1, 1979, and from which there was no producti in Calendar Year 1978 or (2) an on-shore pr perty developed after Calendar Year 1978.

Windfall Profit.--The excess of the remov price of the barrel of oil over the sum of t adjusted base price and the State severance t adjustment.

Table 1.--Windfall Profit Tax Liability by Oil Tier, Tax Rate and Aggregate Components of Windfall Profit for Quarter Ending September 1985

[Money amounts are in millions of dollars]

Oil tier and tax rate	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	481,848	12,094	9,988	88	2,018	1,439
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	234,439	6,104	4,183	69	1,852	1,234
Taxed at 50 percent	17,791	470	327	8	134	67
Tier one, Sadlerochit oil:						
Taxed at 70 percent	2,137	39	38	-	1	-
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	52,406	1,287	1,056	8	223	124
Taxed at 30 percent	2,495	36	31	-	5	5
Tier three oil (taxed at 30 percent):						
Newly discovered oil[1]	97,057	2,356	2,520	2	-166	4
Incremental tertiary oil	49,992	1,272	1,277	1	-5	3
Heavy oil	25,532	529	555	-	-26	1
Returns with total tax liability only	-	-	-	-	-	3

[1]Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
NOTE: Detail may not add to total because of rounding.

Table 2.--Windfall Profit Tax Liability for Returns Reporting Components of Windfall Profit by Oil Tier and Tax Rate for the Quarter Ending September 1985[1]

Oil tier and tax rate	Average daily production (000's) (barrels)	Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	5,237	25.09	20.72	.18	4.19	2.98
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	2,548	26.03	17.84	.29	7.90	5.26
Taxed at 50 percent	193	26.39	18.40	.45	7.54	3.78
Tier one, Sadlerochit oil:						
Taxed at 70 percent	23	18.29	17.99	.02	.28	.19
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	570	24.56	20.15	.15	4.26	2.37
Taxed at 30 percent	27	14.49	12.57	.09	1.83	2.12
Tier three oil (taxed at 30 percent):						
Newly discovered oil[2]	1,055	24.27	25.96	.02	-1.71	.03
Incremental tertiary oil	543	25.45	25.53	.01	-.09	.06
Heavy oil	278	20.73	21.75	.00	-1.02	.02

[1]All amounts are average dollars per barrel.
[2]Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
NOTE: Detail may not add to total because of rounding.

Table 3.--Exempt Oil Volume by Tier and Category, Quarter Ending September 1985

[Thousands of barrels]

Exempt Oil	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total	60,131	15,844	36,115	6,191	1,408	574
Exempt governmental interest	16,476	12,211	883	2,046	846	490
Exempt charitable interest	808	351	280	75	97	4
Exempt Indian oil	1,134	446	181	427	75	4
Exempt Alaskan oil	1,411	115	-	1,295	-	-
Exempt royalty oil	8,413	2,720	2,882	2,347	389	75
Exempt stripper oil	31,890	-	31,890	-	-	-

NOTE: Detail may not add to total because of rounding.

Table 4.--Windfall Profit Tax Liability by Oil Tier, Tax Rate and Aggregate Components of Windfall Profit for January to September 1985

[Money amounts are in millions of dollars]

Oil tier and tax rate	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	1,569,233	39,206	32,239	301	6,666	4,653
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	709,776	18,668	12,648	221	5,799	3,934
Taxed at 50 percent	60,932	1,591	1,101	30	461	233
Tier one, Sadlerochit oil:						
Taxed at 70 percent	93,318	1,634	1,633	5	-4	18
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	149,756	3,837	3,111	28	699	396
Taxed at 30 percent	7,872	116	99	1	16	17
Tier three oil (taxed at 30 percent):						
Newly discovered oil[1]	322,520	7,998	8,323	11	-336	24
Incremental tertiary oil	137,005	3,496	3,428	4	63	25
Heavy oil	88,055	1,865	1,897	-	-32	5
Returns with total tax liability only	-	-	-	-	-	292

[1]Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
NOTE: Detail may not add to total because of rounding.

Table 5.--Windfall Profit Tax Liability for Returns Reporting Components of Windfall Profit by Oil Tier and Tax Rate for January to September 1985[1]

Oil tier and tax rate	Average daily production (000's) (barrels)	Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	5,748	24.98	20.54	.19	4.25	2.97
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	2,600	26.30	17.82	.31	8.17	5.54
Taxed at 50 percent	223	26.11	18.06	.49	7.56	3.83
Tier one, Sadlerochit oil:						
Taxed at 70 percent	342	17.51	17.50	.06	-.04	.19
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	549	25.62	20.77	.19	4.67	2.64
Taxed at 30 percent	29	14.76	12.60	.13	2.03	2.15
Tier three oil (taxed at 30 percent):						
Newly discovered oil[2]	1,181	24.80	25.81	.03	-1.04	.07
Incremental tertiary oil	502	25.52	25.02	.03	.46	.18
Heavy oil	323	21.18	21.54	.00	-.36	.06

[1] All amounts are average dollars per barrel.
[2] Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
NOTE: Detail may not add to total because of rounding.

Table 6.--Exempt Oil Volume by Tier and Category, for January to September 1985

[Thousands of barrels]

Exempt Oil	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total	217,828	50,035	120,121	42,129	3,813	1,731
Exempt governmental interest	50,186	38,367	2,346	5,919	2,182	1,372
Exempt charitable interest	2,603	1,203	823	277	277	23
Exempt Indian oil	3,125	1,274	527	1,109	204	10
Exempt Alaskan oil	24,608	343	-	24,264	-	-
Exempt royalty oil	30,552	8,847	9,669	10,559	1,149	327
Exempt stripper oil	106,755	-	106,755	-	-	-

NOTE: Detail may not add to total because of rounding.

Table 7.--Windfall Profit Tax Before and After Adjustments
[Millions of dollars]

Quarter ending	Tax before adjustments	Total adjustments	Tax after adjustments
	(1)	(2)	(3)
Total	$82,414	-$5,702	$76,712
March 1980	788	-	788
June 1980	2,842	-21	2,821
September 1980	3,413	-88	3,325
December 1980	3,918	-927	2,991
March 1981	6,953	+242	7,195
June 1981	7,253	-107	7,146
September 1981	6,344	-251	6,093
December 1981	6,007	-497	5,510
March 1982	5,222	-221	5,001
June 1982	4,283	-295	3,988
September 1982	4,404	-445	3,959
December 1982	4,440	-634	3,806
March 1983	3,320	-193	3,127
June 1983	2,951	-203	2,748
September 1983	2,822	-300	2,522
December 1983	2,736	-465	2,271
March 1984	2,622	-228	2,394
June 1984	2,468	-218	2,250
September 1984	2,447	-200	2,247
December 1984	2,236	-256	1,980
March 1985	1,850	-117	1,733
June 1985	1,653	-132	1,521
September 1985	1,442	-146	1,296

One month only.

Selected Statistical Series, 1970–1986

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NOTICE

The data on the following pages are the latest and most accurate available at time of publication. However, they are subject to continuous revision as more information becomes available. Data labeled as preliminary should be used with caution.

Table 1. — Individual Income Tax Returns: Selected Income and Tax Items for Selected Years, 1970-1984
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns:						
All returns	74,279,831	82,229,332	93,902,469	95,337,432	96,321,310	99,438,708
Joint returns	42,376,365	44,140,085	45,243,211	46,697,648	46,363,787	47,484,266
Total gross income, amount	639,357,791	962,886,872	1,642,345,558	1,917,022,530	2,023,982,876	2,229,649,431
Salaries and wages:						
Number of returns	66,965,659	73,520,046	83,802,109	83,106,842	83,120,588	85,925,617
Amount	531,883,892	795,399,462	1,349,842,802	1,564,995,190	1,644,572,655	1,807,137,587
Interest received:						
Number of returns	32,630,355	40,378,240	49,019,575	52,841,721	57,076,334	62,059,703
Amount	22,021,267	43,433,554	102,009,444	157,021,475	153,805,163	176,369,305
Taxable pensions and annuities:						
Number of returns	3,249,558	5,088,937	7,373,704	8,824,885	10,120,721	11,551,051
Amount	7,878,808	20,886,871	43,339,736	60,123,166	69,813,961	80,447,934
Dividends:						
No. of returns before exclusion	12,452,227	13,370,427	14,640,139	17,186,673	17,620,109	18,665,034
Amount	17,018,148	23,270,182	43,567,241	54,044,825	50,411,519	50,554,837
No. of returns after exclusion	7,729,939	8,853,491	10,738,982	13,172,360	13,326,556	14,259,407
Amount	15,806,924	21,892,126	r38,761,253	52,142,410	48,556,703	48,640,734
Net capital gain less loss:						
Number of returns	7,962,663	7,574,823	8,929,474	9,636,414	10,917,709	12,558,688
Amount	9,006,683	14,071,893	29,659,600	34,403,728	49,407,678	54,519,368
Business net income (less loss):						
Number of returns	6,159,985	7,242,542	8,881,119	10,092,322	10,682,124	11,237,218
Amount	30,554,201	39,421,478	55,129,154	50,573,164	60,359,154	70,766,610
Total adjustments:						
Number of returns	6,370,552	9,024,255	13,148,919	33,421,412	34,837,711	37,025,796
Amount	7,665,251	15,101,999	28,614,061	64,887,065	81,393,011	89,745,075
Married couple who both work:						
Number of returns	N/A	N/A	N/A	21,690,558	22,557,433	24,126,180
Amount	N/A	N/A	N/A	9,048,263	19,762,365	22,407,621
Individual Retirement Arrangement:						
Number of returns	N/A	1,211,794	2,564,421	12,010,038	13,613,167	15,232,856
Amount	N/A	1,436,443	3,430,894	28,273,852	32,060,627	35,374,424
Self-Employed Retirement (Keogh):						
Number of returns	591,655	595,892	568,936	559,011	656,038	648,958
Amount	847,692	1,603,788	2,007,666	2,482,594	2,937,980	4,072,409
Adjusted gross income	631,692,540	947,784,873	1,613,731,497	1,852,135,465	1,942,589,865	2,139,904,356
Exemptions:						
Total number	204,126,402	212,202,596	227,925,098	232,191,565	234,390,944	240,886,327
Number, age 65 or over	8,904,331	9,937,208	11,847,168	13,955,570	14,819,860	15,890,548
Total amount	127,531,204	159,140,845	227,569,280	232,142,140	234,390,944	240,886,327
Total deductions:						
Number of returns	73,862,448	81,585,541	88,491,251	90,283,236	90,816,724	94,855,579
Amount	120,549,755	233,181,778	346,000,155	425,157,106	448,667,194[1]	499,585,197[1]
Total itemized deductions:						
Number of returns	35,430,047	26,074,061	28,950,282	33,432,809	35,230,292	38,203,092
Amount	88,178,487	122,260,601	218,028,139	284,506,318	309,633,773	358,876,015
Medical and dental expense	10,585,749	11,422,312	14,972,082	21,705,262	18,074,335	21,450,276
Taxes paid	32,014,673	44,141,289	69,404,275	88,037,196	99,750,645	115,245,288
Interest paid	23,929,477	38,885,282	91,187,006	121,852,419	134,691,655	158,176,338
Contributions	12,892,732	15,393,331	25,809,608	33,471,694	37,677,955	42,119,812
Taxable income:						
Number of returns	59,593,598	65,852,602	88,104,696	89,717,836	90,816,724	94,178,183
Amount	401,154,285	595,492,866	1,279,985,360	1,473,348,899	1,544,872,497	1,701,365,731
Income tax before credits:						
Number of returns	59,596,755	65,854,734	76,135,819	78,349,842	80,610,882	84,440,481
Amount	84,156,695[2]	132,452,044	256,294,315	283,931,862	279,841,890	306,686,024
Total tax credits	369,610	8,069,846	7,215,839	7,854,493	r8,190,737[3]	9,263,308[3]
General tax credit	N/A	5,020,477	N/A	N/A	N/A	N/A
Investment credit	30,554	1,593,150	3,288,415	4,139,897	4,161,453	6,347,422
Foreign tax credit	169,623	381,985	1,341,645	757,326	617,749	738,014
Child care credit	N/A	N/A	956,439	1,501,453	2,051,462	2,648,834
Credit for the elderly	167,656	128,968	134,993	131,074	116,324	107,002
Residential energy credit	N/A	N/A	562,141	582,857	549,024	645,093
Earned income credit used to offset income tax before credits	N/A	252,141	451,366	359,717	314,499	280,783
Income tax after credits	83,787,323	124,382,197	249,078,475	276,077,369	271,651,153	297,703,498
Additional tax for tax preferences	121,988	144,100	1,262,964	1,519,921	2,530,170[4]	4,500,342
Total income tax:						
Number of returns	59,317,371	61,490,737	73,906,244	77,035,300	78,016,323	81,639,509
Amount	83,909,311	124,526,297	250,341,440	277,597,290	274,181,323	301,923,057
Payment status:						
Returns with payment due	16,478,813	15,842,400	21,755,516	20,326,807	18,467,829	21,157,790
Returns with refund or credit due	55,273,385	63,825,188	69,868,451	72,425,701	74,993,969	75,563,505

See notes following Table 13.

ble 2. — Individual Income and Tax by State, 1984
oney amounts are in thousands of dollars]

State	Number of returns	Number of exemptions[1]	Adjusted gross income (AGI)	Salaries and wages		Dividends after exclusion	
				Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ted States, total[2]	99,752,249	239,616,963	2,134,035,012	85,071,114	1,781,778,658	14,128,770	51,039,143
bama	1,466,037	3,729,138	27,510,149	1,289,812	23,629,019	127,636	403,651
ska	235,342	541,176	6,521,339	209,237	5,935,380	55,035	61,434
zona	1,276,456	3,148,503	26,266,331	1,065,927	21,281,793	184,515	737,987
nsas	844,657	2,183,289	14,591,720	709,625	12,027,646	67,634	210,964
ifornia	11,360,495	27,319,945	261,437,661	9,659,268	218,707,697	1,602,037	6,106,276
orado	1,410,396	3,252,922	31,260,319	1,216,918	26,693,694	208,977	635,461
necticut	1,539,588	3,408,010	39,026,841	1,324,526	32,524,805	311,475	1,335,259
ware	273,752	639,345	6,148,020	237,402	5,097,036	48,361	230,035
trict of Columbia	316,428	648,554	7,142,767	273,781	5,550,460	44,738	268,233
rida	4,905,553	11,594,614	101,264,658	3,914,520	72,842,092	857,128	4,558,531
rgia	2,375,875	5,719,184	48,000,006	2,133,144	42,177,150	226,153	794,469
aii	461,424	1,055,297	9,322,406	400,452	7,765,670	68,520	193,874
o	368,546	990,884	6,577,681	304,436	5,480,486	44,599	123,598
inois	4,833,380	11,681,835	108,791,989	4,102,975	91,106,811	787,363	2,738,103
iana	2,237,755	5,525,994	45,223,206	1,906,784	38,501,781	255,626	723,368
a	1,165,334	2,922,123	21,295,026	915,219	17,030,232	171,997	420,979
as	1,010,998	2,496,801	21,020,130	834,098	17,088,564	140,992	415,424
tucky	1,342,328	3,354,595	24,936,186	1,136,154	20,881,422	126,511	453,931
siana	1,644,979	4,229,245	33,071,191	1,449,850	28,111,751	151,982	529,954
ne	488,025	1,155,368	8,698,656	418,654	7,084,108	65,093	249,268
yland	1,995,849	4,555,799	47,558,988	1,750,954	40,335,140	305,238	1,009,167
sachusetts	2,722,247	5,953,060	61,671,995	2,356,725	51,139,848	464,420	1,702,087
higan	3,687,450	8,846,027	82,622,589	3,150,910	71,118,527	563,470	1,652,243
nesota	1,779,381	4,262,333	37,501,184	1,494,178	31,956,812	277,593	741,500
issippi	892,402	2,381,390	14,851,519	788,880	12,809,719	65,951	185,326
souri	2,053,771	4,983,834	41,834,149	1,718,416	34,660,520	267,990	1,003,425
tana	339,743	842,948	5,758,469	270,198	4,626,452	51,468	133,706
raska	674,745	1,671,184	12,147,832	543,807	10,069,618	93,451	241,259
ada	430,802	971,274	9,085,434	376,407	7,584,574	45,460	195,355
Hampshire	462,335	1,052,678	9,988,865	405,530	8,344,754	70,454	265,783
Jersey	3,675,451	8,555,020	89,340,546	3,201,037	75,690,379	689,227	2,269,956
Mexico	571,773	1,455,538	10,432,983	493,780	8,834,702	64,001	203,293
York	7,464,439	17,538,439	177,651,309	6,383,915	143,111,112	1,329,571	5,772,435
h Carolina	2,565,678	6,080,635	48,412,116	2,291,376	41,196,139	267,179	956,310
h Dakota	279,934	704,591	4,947,038	217,194	3,791,683	30,489	56,096
o	4,446,458	10,681,804	93,270,160	3,794,796	79,290,060	631,406	2,035,990
homa	1,263,553	3,174,432	26,210,357	1,057,336	21,351,082	116,711	419,362
gon	1,109,872	2,687,189	21,581,695	908,679	17,488,438	160,883	487,132
sylvania	4,982,979	11,698,481	101,855,139	4,171,500	83,578,761	803,045	2,690,682
e Island	429,433	960,463	8,568,791	372,257	7,041,410	61,557	216,796
h Carolina	1,277,317	3,134,519	23,656,350	1,146,993	20,302,958	114,771	399,709
h Dakota	283,972	718,880	4,257,329	220,589	3,443,240	34,962	74,311
nessee	1,872,850	4,560,547	35,085,784	1,644,485	30,296,908	161,731	511,817
as	6,496,390	16,312,584	145,168,114	5,697,488	122,350,345	690,999	2,783,739
h	581,082	1,643,780	11,789,485	506,856	10,264,958	66,679	196,383
ont	225,343	523,894	4,126,972	192,524	3,353,959	39,506	150,819
ginia	2,424,622	5,616,057	54,403,915	2,137,841	46,163,560	352,374	1,117,665
ington	1,864,365	4,418,897	40,225,585	1,567,647	33,236,211	281,359	825,597
t Virginia	664,129	1,694,690	12,681,869	561,978	10,552,624	70,470	228,527
consin	1,999,972	4,789,147	39,810,558	1,693,936	33,752,634	298,598	861,136
ing	207,546	521,993	4,372,968	178,774	3,777,118	26,153	92,381
r areas[3]	469,018	1,028,034	5,058,643	271,346	10,746,816	85,232	368,357

Table 2. (Continued) — Individual Income and Tax by State, 1984
[Money amounts are in thousands of dollars]

State	Interest		Unemployment compensation in AGI		Itemized Deductions		
	Number of returns	Amount	Number of returns	Amount	Number of returns	Total Deductions	Average amount
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total[2]	61,764,997	176,077,712	4,433,578	5,941,097	38,803,369	357,953,970	9,225
Alabama	734,673	1,690,765	74,868	67,077	554,890	4,225,055	7,614
Alaska	149,113	283,085	25,136	46,049	93,000	1,051,437	11,306
Arizona	764,274	2,535,925	31,619	33,965	575,399	5,334,988	9,272
Arkansas	439,409	1,346,519	35,122	33,854	263,815	2,046,016	7,755
California	6,932,440	22,990,669	498,303	696,556	4,900,602	57,669,065	11,768
Colorado	917,793	2,415,561	49,442	67,974	660,809	6,583,216	9,962
Connecticut	1,122,224	2,974,001	70,970	78,958	590,781	5,864,975	9,927
Delaware	166,224	388,021	13,203	16,701	112,369	992,000	8,828
District of Columbia	152,386	429,500	6,159	10,147	125,205	1,337,924	10,686
Florida	2,877,667	12,514,788	86,162	107,238	1,645,345	15,198,557	9,237
Georgia	1,154,971	2,835,725	90,495	68,200	847,039	7,810,394	9,221
Hawaii	336,810	722,525	19,483	30,925	189,399	1,852,314	9,780
Idaho	232,642	653,898	22,346	28,600	148,914	1,228,345	8,249
Illinois	3,238,496	9,664,419	239,861	397,697	1,880,875	16,186,085	8,606
Indiana	1,396,756	3,519,319	104,306	102,314	754,052	5,731,069	7,600
Iowa	858,859	2,755,526	56,801	67,475	481,774	3,537,273	7,342
Kansas	666,179	2,090,323	39,208	45,791	405,123	3,379,652	8,342
Kentucky	729,630	1,950,357	73,897	76,275	490,420	3,624,231	7,390
Louisiana	833,107	2,369,123	85,416	145,280	535,576	4,615,720	8,618
Maine	306,169	623,087	20,541	20,920	144,804	1,098,377	7,585
Maryland	1,272,504	2,951,296	69,046	92,992	938,285	9,261,934	9,871
Massachusetts	1,952,674	4,489,950	114,388	164,808	1,071,732	9,386,369	8,758
Michigan	2,475,017	5,619,090	270,855	375,626	1,737,787	14,488,031	8,337
Minnesota	1,292,880	3,214,151	84,973	134,641	889,916	8,111,663	9,115
Mississippi	379,014	1,041,341	33,800	31,986	259,001	2,065,620	7,975
Missouri	1,294,489	3,866,987	85,183	71,027	730,339	5,754,817	7,880
Montana	227,268	705,501	18,718	25,003	128,060	957,008	7,473
Nebraska	464,074	1,463,991	19,892	20,622	232,763	1,913,057	8,219
Nevada	231,857	780,392	21,331	27,165	152,867	1,494,879	9,779
New Hampshire	315,819	684,510	17,650	17,141	148,399	1,243,640	8,380
New Jersey	2,450,145	6,573,756	166,338	260,509	1,434,792	13,713,251	9,558
New Mexico	302,271	821,022	15,463	18,815	186,565	1,538,830	8,248
New York	5,076,747	15,594,028	303,523	458,622	3,471,167	34,788,324	10,022
North Carolina	1,342,650	2,969,664	116,104	86,124	949,983	7,581,697	7,981
North Dakota	197,554	623,657	12,352	18,578	85,253	650,117	7,626
Ohio	2,860,906	7,082,159	230,337	349,611	1,611,069	13,455,573	8,352
Oklahoma	702,219	2,309,429	40,926	51,672	509,140	4,658,308	9,149
Oregon	731,949	2,142,371	67,234	92,619	497,492	4,335,801	8,715
Pennsylvania	3,375,360	8,256,718	337,134	523,718	1,748,152	13,671,387	7,820
Rhode Island	279,628	708,202	26,733	30,528	152,433	1,263,209	8,287
South Carolina	625,438	1,357,682	53,834	41,724	502,822	3,928,001	7,812
South Dakota	187,514	601,007	5,015	5,118	72,621	526,176	7,246
Tennessee	943,603	2,443,557	71,379	62,090	524,811	4,215,953	8,033
Texas	3,376,772	11,412,430	158,929	231,376	2,086,406	20,564,440	9,856
Utah	371,722	742,977	23,695	30,949	292,239	2,678,298	9,165
Vermont	150,513	329,092	9,237	10,038	73,808	572,055	7,751
Virginia	1,423,743	3,372,886	71,358	64,675	973,200	9,355,648	9,613
Washington	1,228,399	3,542,553	126,536	197,926	715,742	6,344,082	8,864
West Virginia	394,420	902,224	51,829	80,102	173,160	1,317,079	7,606
Wisconsin	1,468,345	3,441,301	152,285	203,424	869,584	7,248,391	8,335
Wyoming	133,674	379,770	10,070	12,603	75,523	630,797	8,352
Other areas[3]	226,007	900,882	4,093	7,269	108,067	872,842	8,077

Table 2. (Continued) — Individual Income and Tax by State, 1984
[Money amounts are in thousands of dollars]

State	Tax liability			Earned income credit			
	Total tax					Excess of tax liability	
	Number of Returns	Amount	Average tax	Number of returns	Amount	Number of returns	Amount
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
United States, total[2]	84,792,349	314,228,708	3,706	5,817,056	-1,653,907	4,244,270	-1,184,854
Alabama	1,213,417	3,624,991	2,987	152,493	-44,295	114,110	-32,434
Alaska	206,301	1,119,117	5,425	7,633	-2,012	5,069	-1,293
Arizona	1,077,849	3,546,875	3,291	76,747	-22,025	58,035	-16,521
Arkansas	694,900	1,890,354	2,720	86,961	-25,200	62,782	-17,717
California	9,641,659	37,923,424	3,933	680,605	-197,631	536,874	-154,380
Colorado	1,217,322	4,530,134	3,721	59,483	-16,839	42,167	-11,611
Connecticut	1,359,611	6,571,126	4,833	36,832	-10,041	25,545	-6,899
Delaware	236,306	893,486	3,781	14,158	-3,944	10,230	-2,838
District of Columbia	269,308	1,211,412	4,498	23,345	-6,734	18,250	-5,178
Florida	4,164,592	15,842,190	3,804	317,994	-91,648	228,383	-64,440
Georgia	2,009,150	6,637,944	3,304	200,529	-57,686	147,214	-41,547
Hawaii	392,619	1,224,322	3,118	17,085	-4,464	11,188	-2,940
Idaho	306,508	831,955	2,714	25,969	-7,431	17,847	-4,922
Illinois	4,115,059	16,921,715	4,112	236,719	-66,282	177,863	-49,119
Indiana	1,879,545	6,451,411	3,432	119,455	-33,527	85,495	-23,562
Iowa	975,559	2,955,652	3,030	59,511	-16,080	37,324	-9,528
Kansas	866,725	3,101,764	3,579	45,466	-12,557	30,491	-8,202
Kentucky	1,115,961	3,401,332	3,048	112,879	-32,372	78,702	-21,871
Louisiana	1,349,395	4,940,774	3,661	171,674	-49,246	131,653	-36,976
Maine	411,639	1,115,650	2,710	28,404	-7,968	19,011	-5,137
Maryland	1,742,179	7,498,313	4,304	84,822	-23,692	60,739	-16,749
Massachusetts	2,392,328	9,493,934	3,968	81,529	-22,853	57,245	-15,809
Michigan	3,131,703	11,765,561	3,757	151,138	-42,106	109,607	-29,869
Minnesota	1,528,293	4,948,611	3,238	70,342	-19,413	45,475	-11,637
Mississippi	709,395	1,908,928	2,691	137,867	-40,195	107,879	-30,617
Missouri	1,740,013	6,145,123	3,531	121,944	-34,177	84,917	-23,098
Montana	275,224	792,900	2,881	22,803	-6,335	15,490	-4,122
Nebraska	566,719	1,726,049	3,046	34,957	-9,572	22,117	-5,706
Nevada	368,593	1,417,961	3,847	20,928	-5,894	15,187	4,226
New Hampshire	403,276	1,496,998	3,712	14,929	-4,092	9,710	-2,612
New Jersey	3,254,296	14,139,138	4,345	148,258	-41,352	106,635	-29,837
New Mexico	460,255	1,401,155	3,044	53,458	-14,952	41,170	-11,337
New York	6,518,246	26,999,427	4,142	419,762	-120,170	308,521	-86,704
North Carolina	2,172,911	6,331,115	2,914	196,299	-55,328	134,970	37,634
North Dakota	236,393	702,361	2,971	15,592	-4,213	9,270	-2,330
Ohio	3,791,923	13,066,043	3,446	208,330	-57,937	149,950	-40,874
Oklahoma	1,061,346	3,912,753	3,687	88,340	-25,668	62,964	-17,702
Oregon	930,945	2,792,315	2,999	60,188	-17,227	43,272	-12,019
Pennsylvania	4,246,134	15,100,412	3,556	227,307	-63,280	160,290	-43,912
Rhode Island	370,423	1,176,704	3,177	18,284	-5,106	13,131	-3,643
South Carolina	1,066,420	2,973,792	2,789	112,554	-32,293	82,146	-23,302
South Dakota	229,962	593,135	2,579	21,378	-5,824	13,203	-3,312
Tennessee	1,563,224	4,925,824	3,151	164,358	-47,062	118,213	-33,105
Texas	5,462,932	24,076,502	4,407	486,404	-141,089	367,373	-104,976
Utah	487.233	1,400,287	2,874	28,291	-8,011	20,193	-5,561
Vermont	192,569	542,700	2,818	11,977	-3,275	7,780	-2,034
Virginia	2,103,563	7,763,991	3,691	116,596	-32,684	80,215	-22,352
Washington	1,594,103	5,887,949	3,694	80,909	-22,576	58,232	-15,896
West Virginia	556,564	1,697,656	3,050	52,349	-14,485	38,177	-10,522
Wisconsin	1,690,730	5,193,758	3,072	79,776	-21,825	53,823	-14,014
Wyoming	175,503	671,805	3,828	10,011	-2,838	6,973	-1,889
Other areas[3]	265,526	951,880	3,585	1,434	-401	1,170	-340

See notes following Table 13.

Table 3. — Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1981-1984
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns for -		Total adjusted gross income		Taxable income	
	1981	1982	1981	1982	1981	1982
	(1)	(2)	(3)	(4)	(5)	(6)
Total	95,396,123	95,337,432	1,772,604,303	1,852,135,465	1,410,880,665	1,473,348,899
Less than $1000	3,484,734	3,412,105	-16,952,842	-22,324,833	7,084	29,646
$1,000 under $3,000	7,855,771	7,573,825	15,691,845	15,122,101	7,064,102	6,717,217
$3,000 under $5,000	7,405,871	6,966,104	29,580,649	27,925,256	17,994,684	17,168,389
$5,000 under $7,000	7,251,941	6,682,490	43,446,800	39,885,078	29,153,117	26,709,472
$7,000 under $9,000	7,066,520	7,176,962	56,341,030	57,512,193	40,597,471	40,904,714
$9,000 under $11,000	6,514,144	6,421,665	65,051,373	64,229,520	49,147,621	47,995,843
$11,000 under $13,000	5,821,233	5,651,414	69,702,815	67,793,416	54,207,411	52,526,932
$13,000 under $15,000	5,190,200	5,414,103	72,548,282	75,702,223	57,705,230	59,652,891
$15,000 under $17,000	4,648,986	4,734,479	74,256,678	75,594,637	59,486,499	60,951,455
$17,000 under $19,000	4,291,557	3,964,008	77,161,287	71,295,728	62,056,343	57,689,594
$19,000 under $22,000	5,967,094	5,365,925	122,157,450	109,806,080	98,703,455	88,855,846
$22,000 under $25,000	5,207,693	5,273,703	122,181,884	123,853,268	98,956,187	100,054,304
$25,000 under $30,000	7,205,282	7,621,965	197,424,953	209,572,367	159,682,521	169,726,189
$30,000 under $35,000	5,294,687	5,646,966	171,601,299	182,644,120	138,893,019	146,947,632
$35,000 under $40,000	3,910,649	4,215,650	145,814,841	157,391,914	118,288,891	126,471,828
$40,000 under $50,000	4,182,389	4,716,532	185,322,655	208,952,374	149,273,745	166,018,176
$50,000 under $75,000	2,796,836	3,057,266	164,256,670	179,566,469	131,174,316	141,376,967
$75,000 under $100,000	645,884	702,064	55,099,048	59,748,095	43,524,621	46,720,423
$100,000 under $150,000	398,479	432,757	47,552,689	51,674,638	37,518,693	40,228,978
$150,000 under $200,000	118,037	138,082	20,164,437	23,616,649	15,842,213	18,710,797
$200,000 under $300,000	80,945	93,033	19,350,168	22,323,087	15,230,276	17,807,227
$300,000 under $500,000	37,147	47,245	13,906,555	17,650,665	10,788,043	14,153,358
$500,000 under $1,000,000	14,758	20,681	9,815,188	13,830,843	7,416,993	11,042,159
$1,000,000 or more	5,286	8,408	11,128,551	18,769,578	8,168,130	14,888,860

Size of adjusted gross income	Total income tax[1]		Percent of filers with no income tax liability		Filers with income tax liability: Average tax (whole dollars)		Filers with income tax liability: Tax as percent of adj. gross inc.	
	1981	1982	1981	1982	1981	1982	1981	1982
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	284,128,989	277,597,301	19.6	19.2	3,703	3,604	16.5	15.4
Less than $1,000	137,840	130,288	99.5	99.6	8,626[2]	9,298[2]	-	-
$1,000 under $3,000	43,465	35,182	95.5	95.0	123	92	6.0	5.0
$3,000 under $5,000	516,050	475,448	41.7	41.9	120	117	2.9	2.8
$5,000 under $7,000	1,761,464	1,473,139	32.0	31.4	357	321	5.9	5.4
$7,000 under $9,000	3,306,387	2,967,854	18.1	20.7	571	521	7.1	6.5
$9,000 under $11,000	5,150,823	4,462,848	5.2	6.8	834	746	8.3	7.4
$11,000 under $13,000	6,531,708	5,566,452	3.2	4.0	1,160	1,026	9.7	8.6
$13,000 under $15,000	7,601,053	7,002,695	2.2	2.3	1,498	1,324	10.7	9.5
$15,000 under $17,000	8,355,068	7,766,398	1.8	1.5	1,830	1,665	11.5	10.4
$17,000 under $19,000	9,226,778	7,786,372	1.3	1.8	2,179	2,001	12.1	11.1
$19,000 under $22,000	15,609,261	12,725,118	1.1	1.2	2,645	2,399	12.9	11.7
$22,000 under $25,000	16,563,264	15,378,094	.9	1.3	3,209	2,956	13.7	12.6
$25,000 under $30,000	28,474,945	27,852,640	.6	.6	3,976	3,676	4.5	13.4
$30,000 under $35,000	26,910,961	25,867,035	.4	.5	5,103	4,605	15.7	14.2
$35,000 under $40,000	24,834,220	24,098,091	.3	.5	6,370	5,743	17.1	15.4
$40,000 under $50,000	34,847,163	35,029,801	.6	.5	8,379	7,468	18.9	16.9
$50,000 under $75,000	36,299,454	35,892,383	.5	.5	13,050	11,803	22.2	20.1
$75,000 under $100,000	14,715,265	14,594,818	.4	.4	22,867	20,865	25.8	24.5
$100,000 under $150,000	14,619,378	14,385,740	.4	.2	36,828	33,321	30.9	27.9
$150,000 under $200,000	6,886,418	7,483,155	.2	.5	58,439	54,447	34.2	31.8
$200,000 under $300,000	7,183,611	7,651,434	.2	.2	88,930	82,400	37.2	34.3
$300,000 under $500,000	5,566,282	6,380,687	.1	.1	149,990	135,233	40.1	36.2
$500,000 under $1,000,000	4,100,676	5,222,845	.1	.1	278,182	252,751	41.8	37.7
$1,000,000 or more	4,887,456	7,368,787	.1	.1	925,655	877,132	44.0	39.8

See notes following Table 13.

Table 3. (Continued) — Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1981-1984
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns for -		Total adjusted gross income		Taxable income	
	1983	1984	1983	1984	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Total	96,321,310	99,438,708	1,942,589,865	2,139,904,356	1,544,872,497	1,701,365,731
Less than $1000	3,415,113	3,329,148	-25,592,802	-31,984,443	75,549	63,799
$1,000 under $3,000	7,253,408	6,883,760	14,482,816	13,732,880	6,757,833	6,504,129
$3,000 under $5,000	7,167,924	7,030,537	28,679,137	28,151,199	17,374,119	17,251,761
$5,000 under $7,000	6,734,360	6,584,434	40,321,353	39,617,706	26,472,290	26,095,663
$7,000 under $9,000	6,879,931	6,792,931	55,039,361	54,388,545	39,153,168	38,888,493
$9,000 under $11,000	6,205,165	6,051,873	61,927,394	60,390,249	46,314,016	45,303,739
$11,000 under $13,000	5,724,798	5,877,979	68,522,507	70,439,379	52,529,347	54,708,664
$13,000 under $15,000	5,161,674	5,202,547	72,217,107	72,660,372	57,062,111	57,397,788
$15,000 under $17,000	4,593,795	4,893,833	73,350,227	78,195,614	58,956,588	62,489,602
$17,000 under $19,000	4,291,218	4,561,541	77,093,374	82,012,673	62,209,794	66,307,248
$19,000 under $22,000	5,617,176	5,645,759	115,071,603	115,466,828	93,320,322	93,889,175
$22,000 under $25,000	5,115,957	5,198,716	120,238,524	122,123,861	97,650,110	99,375,159
$25,000 under $30,000	7,357,487	7,635,404	201,763,983	209,274,643	163,111,031	168,006,165
$30,000 under $35,000	6,011,290	6,020,636	194,666,035	195,263,778	156,601,086	155,819,230
$35,000 under $40,000	4,409,645	5,054,470	164,664,066	188,944,011	131,804,272	149,423,027
$40,000 under $50,000	5,147,782	5,963,041	228,225,122	264,922,227	181,289,066	210,324,094
$50,000 under $75,000	3,591,188	4,657,702	211,838,450	275,046,849	166,095,719	214,921,141
$75,000 under $100,000	822,840	1,049,444	70,011,841	89,289,787	54,345,021	69,194,901
$100,000 under $150,000	469,391	581,498	56,206,333	69,273,546	43,403,109	53,604,014
$150,000 under $200,000	152,560	179,695	26,170,484	30,767,972	20,312,767	23,865,523
$200,000 under $300,000	108,379	132,306	26,016,239	31,729,787	20,642,936	24,405,339
$300,000 under $500,000	53,960	67,405	20,144,746	25,780,158	15,959,347	19,789,383
$500,000 under $1,000,000	25,469	29,215	17,173,250	19,729,296	13,706,293	15,798,723
$1,000,000 or more	10,800	14,834	24,358,715	34,687,437	19,726,601	27,938,970

Size of adjusted gross income	Total income tax[1]		Percent of filers with no income tax liability		Filers with income tax liability: Average tax (whole dollars)		Filers with income tax liability: Tax as percent of adj. gross inc.	
	1983	1984	1983	1984	1983	1984	1983	1984
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	274,181,323	301,923,057	19.0	17.9	3,514	3,698	14.5	14.4
Less than $1,000	127,789	419,790	99.7	99.2	13,249	16,783	-	-
$1,000 under $3,000	51,414	44,652	93.4	93.8	108	104	5.7	5.4
$3,000 under $5,000	409,533	430,167	42.0	40.8	99	103	2.4	2.5
$5,000 under $7,000	1,310,055	1,233,034	33.7	33.7	293	282	4.9	4.7
$7,000 under $9,000	2,603,057	2,483,282	21.2	21.3	480	465	6.0	5.8
$9,000 under $11,000	3,888,167	3,617,920	8.3	8.2	684	651	6.8	6.5
$11,000 under $13,000	5,012,113	5,013,506	4.2	5.2	914	899	7.6	7.5
$13,000 under $15,000	6,066,527	5,831,903	2.7	3.6	1,208	1,163	8.6	8.3
$15,000 under $17,000	6,809,411	6,785,324	2.4	2.0	1,518	1,415	9.5	8.9
$17,000 under $19,000	7,664,811	7,775,189	1.6	1.8	1,816	1,736	10.1	9.7
$19,000 under $22,000	12,163,958	11,677,768	1.2	1.5	2,192	2,100	10.7	10.3
$22,000 under $25,000	13,595,791	13,237,769	1.3	1.0	2,692	2,573	11.5	11.0
$25,000 under $30,000	24,354,551	23,793,004	.8	1.2	3,338	3,152	12.2	11.5
$30,000 under $35,000	25,156,554	23,926,881	.6	.7	4,208	4,004	13.0	12.3
$35,000 under $40,000	22,673,889	24,678,348	.8	.5	5,182	4,907	13.9	13.1
$40,000 under $50,000	34,798,186	38,675,241	.4	.3	6,787	6,504	15.3	14.6
$50,000 under $75,000	38,352,897	47,355,174	.4	.4	10,725	10,211	18.2	17.3
$75,000 under $100,000	15,392,973	18,759,377	.3	.4	18,770	17,944	22.1	21.1
$100,000 under $150,000	14,351,743	17,117,874	.4	.2	30,690	29,502	25.6	24.8
$150,000 under $200,000	7,662,455	8,644,645	.3	.2	50,365	48,205	29.4	28.2
$200,000 under $300,000	8,488,945	10,013,524	.2	.2	78,513	75,844	32.7	31.6
$300,000 under $500,000	7,124,258	8,761,557	.2	.2	132,313	130,272	35.4	34.1
$500,000 under $1,000,000	6,463,482	7,526,585	.2	.2	254,228	258,255	37.7	38.2
$1,000,000 or more	9,658,764	14,120,545	.3	.2	896,655	954,091	39.8	40.8

See notes following Table 13.

Table 4.—Nonfarm Sole Proprietorship Returns: Selected Income and Deduction Items for Selected Years, 1970-1984
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	5,769,741	7,221,346	8,931,712[1]	10,105,515[1]	10,703,921[1]	11,262,390[1]
Number with net income	n.a.	n.a.	n.a.	6,761,405	7,390,395	8,002,865
Inventory, end of year	11,060,775	15,578,040	21,996,236	21,804,915	n.a.	23,232,929
Business receipts, total	198,582,172	273,954,741	411,205,713	433,664,897	465,168,637	516,036,944
Income from sales and operations	n.a.	272,342,560	407,169,299	428,311,840	455,382,492	507,234,292
Total deductions	168,044,746	234,318,288	356,258,495	383,091,734	404,808,647	445,270,334
Cost of goods sold/operations	109,148,811	146,261,435	209,889,809	205,471,499	212,631,063	229,905,960
Purchases	88,585,913	117,722,352	168,301,517	161,295,256	n.a.	n.a.
Cost of labor	7,704,285	8,791,083	10,922,221	11,424,639	9,870,673	13,008,803
Materials and supplies	6,216,057	9,090,638	12,909,222	12,735,789	n.a.	n.a.
Commissions	1,274,016	2,225,830	3,333,345	4,464,026	n.a.	n.a.
Net salaries and wages	15,107,047	20,227,859	26,560,821	30,403,121	31,665,698	34,686,204
Car and truck expenses	n.a.	n.a.	13,378,289	n.a.	14,758,472	17,523,807
Rent paid	4,636,528	6,676,314	9,636,290	11,797,053	11,830,835	14,278,260
Repairs	2,444,607	3,044,175	5,031,573	6,006,403	n.a.	n.a.
Taxes paid	3,775,502	5,423,961	7,672,459	7,747,540	n.a.	n.a.
Utilities	n.a.	n.a.	4,790,337	n.a.	n.a.	n.a.
Insurance	2,309,608	3,503,812	6,003,126	6,448,494	n.a.	n.a.
Interest paid	1,784,276	3,390,845	7,190,257	10,143,489	9,925,746	11,025,276
Depreciation	5,451,525	7,958,143	13,952,703	19,121,559	22,069,530	23,900,034
Pension and profit sharing plans	72,741	125,296	141,463	136,359	122,915	258,070
Net income (less loss)	30,537,426	36,636,453	54,947,219	50,573,164	60,359,153	70,766,610
Net income, businesses w/profit	33,735,732	45,624,890	68,010,051	68,647,384	78,618,410	89,849,570
Net loss, businesses w/o profit	3,198,306	5,988,437	13,062,832	18,094,220	18,259,256	19,082,960

See notes following Table 13.

Table 5.—Partnership Returns: Selected Income Statement and Balance Sheet Items for Selected Years, 1970-1984
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of active partnerships	936,133	1,073,094	1,379,654	1,514,212	1,541,539	1,643,581
Number with net income	639,795	661,134	774,173	791,117	783,968	844,738
Number with balance sheets	555,741	783,271	1,194,236	1,217,386	1,190,696	1,201,320
Number of partners	3,697,818	4,950,634	8,419,899	9,764,667	10,589,338	12,426,721
Total assets[1]	116,752,751	235,468,301	597,503,923	845,281,449	886,992.767	1,030,848,519
Buildings/depreciable assets (net)	n.a.	113,124,969	239,139,823	310,846,376	485,402,717	581,643,219
Inventories, end of year	n.a.	11,985,431	33,218,272	100,728,688	n.a.	39,446,014
Land	n.a.	36,731,958	70,241,248	84,820,308	98,427,459	122,036,819
Total liabilities	n.a.	193,875,629	488,734,023	701,630,766	886,992,774	1,030,848,464
Accounts payable	n.a.	12,302,055	33,899,048	37,254,748	34,724,772	32,780,197
Short-term debt[2]	n.a.	22,709,476	48,001,839	73,277,805	67,294,519	68,625,844
Long-term debt[3]	n.a.	136,296,764	178,044,406	236,218,378	268,268,458	322,327,016
Nonrecourse loans	n.a.	n.a.	118,910,380	154,508,961	194,828,542	260,167,105
Partners' capital accounts	n.a.	41,592,672	108,769,900	143,650,646	141,839,683	175,475,922
Total receipts[4]	93,348,080	148,417,529	291,998,115	296,690,303	291,318,703	375,192,517
Business receipts[4]	90,208,834	142,505,781	271,108,832	251,608,987	243,248,370	318,342,381
Interest received	942,304	2,477,173	10,869,323	15,259,801	15,006,055	16,651,201
Total deductions[4]	83,557,684	140,679,959	283,749,460	304,004,833	r293,928,744	378,692,539
Cost of goods sold/operations	46,040,874	64,672,843	113,885,668	144,595,111	125,330,745	180,857,682
Purchases	31,820,581	42,608,734	70,439,607	96,111,197	n.a.	100,358,781
Cost of labor	4,146,927	4,585,836	7,015,547	7,183,865	n.a.	7,826,234
Salaries and wages[4]	8,129,233	12,489,039	22,336,337	23,204,883	24,733,780	28,522,628
Taxes paid	3,159,258	5,770,918	9,553,145	5,288,971	5,909,545	6,673,181
Interest paid[4]	4,470,206	12,097,100	28,362,385	21,517,044	22,364,264	25,437,581
Depreciation[4, 5]	4,578,820	10,108,834	21,576,189	32,361,640	37,340,062	46,939,395
Net income (less loss)	9,790,396	7,737,570	8,248,655	-7,314,587	-2,610,041	-3,500,000
Net income, businesses w/profit	14,419,124	22,431,931	45,061,756	53,556,856	60,308,114	69,696,900
Net loss, businesses w/o profit	4,628,728	14,694,361	36,813,100	60,871,442	62,918,155	73,196,900

See notes following Table 13.

ble 6. — Number of Business Income Tax Returns, by Size of Receipts and Assets, for Selected Years, 1970-1984
ll figures are estimates based on samples — number of businesses are in thousands]

Size of business	Number of businesses reporting					
	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
CORPORATIONS						
Receipt size[1]						
der $25,000[2]	451.9	468.9	557.0	620.0	629.2	n.a.
5,000 - $49,999	170.7	186.4	207.7	217.5	212.9	n.a.
0,000 - $99,999	219.8	260.7	322.7	324.7	330.0	n.a.
00,000 - $249,999	516.9	673.9	558.4	593.4	597.8	n.a.
50,000 - $499,999			367.3	427.9	444.9	n.a.
00,000 - $999,999	141.1	184.2	279.8	296.0	315.9	n.a.
,000,000 or more	165.0	249.5	417.7	446.4	468.3	n.a.
Asset size						
der $100,000[3]	961.0	1,177.7	1,514.6	1,646.6	1,665.5	n.a.
00,000 - $1 million	599.1	704.6	968.9	1,033.5	1,074.7	n.a.
million - $10 million	87.0	116.4	191.8	206.5	218.3	n.a.
0 million - $25 million	9.8	12.2	16.6	18.3	18.8	n.a.
5 million - $50 million	3.9	5.6	7.8	8.9	8.9	n.a.
0 million - $100 million	2.1	3.1	4.8	5.5	5.7	n.a.
00 million - $250 million	1.4	2.1	3.2	3.5	3.6	n.a.
50 million and over	1.2	1.9	2.9	3.2	3.4	n.a.
PARTNERSHIPS						
Receipt size[1]						
der $25,000	501.7	549.7	638.0	758.8[4]	763.4[4]	801.6
5,000 - $49,999	125.2	141.0	181.8	178.1	173.4	190.9
0,000 - $99,999	119.6	133.7	183.6	190.6	203.7	205.6
00,000 - $199,999	97.2	114.0	155.2	155.0	154.2	169.8
00,000 - $499,999	65.2	90.6	135.6	137.8	143.7	156.7
00,000 - $999,999	17.0	25.5	48.1	52.1	56.0	63.9
,000,000 or more	10.3	18.6	37.4	41.9	46.4	55.1
Asset size[5]						
der $25,000	635.7	611.0	541.9	r642.1	r711.1	773.8
5,000 - $49,999	80.8	105.9	156.3	143.8	115.5	118.6
0,000 - $99,999	73.5	106.8	180.2	186.9	164.6	170.5
00,000 - $249,999	74.7	116.0	219.1	209.6	207.0	208.5
50,000 - $499,999	33.8	56.9	117.9	132.2	131.2	129.0
00,000 - $999,999	19.3	35.3	72.1	83.7	86.3	93.8
,000,000 or more	18.3	41.2	92.2	115.9	125.8	149.4
NONFARM SOLE PROPRIETORSHIPS						
Receipt size						
der $2,500	1,894.3	2,299.9	2,783.1	2,882.0	2,908.5	2,988.9
2,500 under $5,000	815.1	959.4	1,158.6	1,220.9	1,313.9	1,324.4
5,000 under $10,000	891.5	1,041.7	1,262.9	1,361.4	1,452.3	1,482.4
10,000 under $25,000	1,137.4	1,325.7	1,711.8	1,738.5	1,916.6	2,036.4
25,000 under $50,000	746.4	849.5	1,079.1	1,117.1	1,187.0	1,261.3
50,000 under $100,000	562.0	644.5	835.6	843.6	919.3	1,061.3
100,000 under 200,000	297.4	380.9	795.8	838.3	888.7	984.4
200,000 under $500,000	122.3	209.2				
500,000 under $1,000,000	20.8	35.3	73.9	68.1	82.9	86.1
,000,000 or more	6.6	13.5	29.2	35.6	34.9	36.8

e notes following Table 13.

Table 7. — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items by Industrial Division for Selected Years, 1970-1983
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industrial division and items	1970	1975	1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)	(6)
AGRICULTURE, FORESTRY AND FISHING						
Number of returns, total	37,283	56,280	80,883	85,370	91,320	92,125
Number with net income	19,843	33,328	43,827	44,948	47,858	47,636
Total assets	11,909,403	21,177,941	40,738,977	46,081,067	50,409,537	50,292,891
Total liabilities	7,897,335	14,332,992	29,278,042	32,492,648	36,289,615	36,733,559
Total receipts	14,277,707	28,118,514	52,089,915	65,061,959	65,356,911	59,208,642
Business receipts	13,591,763	26,624,149	48,850,056	60,907,045	60,643,550	55,114,507
Interest received	69,742	171,732	476,654	751,553	758,699	580,504
Total deductions	14,209,713	27,369,286	51,418,280	64,735,599	65,442,003	59,386,796
Cost of sales and operations	10,555,539	19,738,447	35,798,332	45,552,234	43,222,379	38,308,491
Interest paid	356,225	797,420	2,184,441	2,738,463	3,048,844	2,866,689
Net income (less loss)	65,295	746,908	673,158	328,308	-86,418	-196,528
Net income, businesses w/profit	493,400	1,493,168	2,464,381	2,551,988	2,528,479	2,499,829
Deficit, businesses w/o profit	428,105	746,260	1,791,222	2,223,679	2,614,897	2,696,357
Income tax before credits	113,115	351,059	533,768	543,280	490,228	430,119
Total income tax after credits[1]	107,023	294,584	422,282	414,448	375,422	313,537
Distributions to stockholders except in own stock	65,824	244,524	304,733	512,027	409,070	172,301
MINING						
Number of returns, total	14,465	14,242	25,576	33,363	36,676	37,066
Number with net income	7,303	8,297	12,698	17,634	15,950	15,526
Total assets	23,972,812	64,505,341	126,947,880	168,908,241	192,380,473	194,417,434
Total liabilities	10,590,991	31,739,651	72,879,732	98,442,207	112,503,993	108,814,978
Total receipts	17,747,750	65,909,994	176,672,390	200,194,751	203,098,557	132,419,750
Business receipts	16,699,586	63,670,496	167,397,918	189,552,446	191,152,749	122,510,903
Interest received	176,728	522,757	1,301,266	2,432,908	2,695,216	2,474,270
Total deductions	15,927,348	42,348,765	169,051,624	195,021,576	203,045,736	134,305,739
Cost of sales and operations	9,955,600	30,171,612	116,989,880	150,193,394	151,521,066	85,540,564
Interest paid	388,032	1,166,182	3,440,080	6,051,461	7,623,777	6,763,864
Net income (less loss)	1,834,315	23,574,833	7,750,561	5,620,746	543,578	-1,586,098
Net income, businesses w/profit	2,399,507	24,347,893	10,133,685	10,611,609	8,429,100	5,929,343
Deficit, businesses w/o profit	565,192	773,060	2,383,124	4,990,863	7,885,522	7,515,441
Income tax before credits	1,031,550	11,361,037	3,947,569	4,119,612	3,203,406	2,100,692
Total income tax after credits[1]	342,928	1,051,138	1,672,492	1,685,491	1,044,556	722,353
Distributions to stockholders except in own stock	1,177,550	1,015,895	4,757,780	3,278,771	3,926,230	2,710,318
CONSTRUCTION						
Number of returns, total	138,905	191,219	272,432	276,395	282,345	283,519
Number with net income	82,078	108,852	150,368	145,206	138,783	150,138
Total assets	42,719,792	76,691,947	132,939,026	150,764,144	153,085,046	161,365,795
Total liabilities	30,900,188	57,662,870	100,112,852	113,695,252	114,150,550	119,825,113
Total receipts	90,610,644	146,955,117	267,205,356	280,172,375	281,747,868	290,798,843
Business receipts	88,945,385	143,412,715	260,387,692	270,543,236	271,633,721	280,896,210
Interest received	219,698	614,583	2,073,650	3,122,737	3,137,599	2,579,301
Total deductions	89,070,022	144,717,309	262,116,275	276,744,601	279,555,128	288,574,577
Cost of sales and operations	73,434,969	116,845,554	208,064,925	214,612,975	212,698,363	221,189,268
Interest paid	711,496	1,973,244	4,278,502	5,318,285	5,455,056	4,861,075
Net income (less loss)	1,538,418	2,236,262	5,271,209	3,455,058	2,323,952	2,265,564
Net income, businesses w/profit	2,548,013	4,514,864	8,911,143	8,295,947	8,106,061	7,990,419
Deficit, businesses w/o profit	1,009,595	2,278,602	3,639,934	4,840,889	5,782,109	5,724,855
Income tax before credits	776,979	1,320,196	2,521,507	2,316,708	2,069,718	1,859,927
Total income tax after credits[1]	756,637	1,131,960	1,973,614	1,868,113	1,578,992	1,393,042
Distributions to stockholders except in own stock	299,204	464,553	793,764	889,557	916,690	846,579
MANUFACTURING						
Number of returns, total	197,807	217,354	242,550	251,294	259,106	261,927
Number with net income	120,814	136,839	153,640	149,964	146,415	152,304
Total assets	612,912,516	944,581,970	1,709,471,700	1,933,710,383	2,060,710,683	2,232,987,922
Total liabilities	303,989,223	501,994,296	960,284,926	1,085,493,079	1,163,839,539	1,279,879,180
Total receipts	722,952,890	1,296,359,650	2,404,323,844	2,613,512,581	2,488,331,915	2,552,830,718
Business receipts	700,090,661	1,258,338,650	2,301,056,550	2,487,695,859	2,357,973,059	2,418,344,305
Interest received	4,748,499	8,691,092	28,315,784	38,848,407	38,134,480	37,677,719
Total deductions	692,455,462	1,230,689,496	2,290,593,808	2,509,134,569	2,423,254,936	2,469,257,725
Cost of sales and operations	495,879,549	925,111,030	1,707,143,900	1,822,985,043	1,660,537,002	1,678,378,729
Interest paid	12,570,242	22,055,903	54,177,356	73,084,336	79,322,435	73,973,082
Net income (less loss)	31,846,078	68,406,627	125,667,815	116,775,393	75,791,264	95,330,965
Net income, businesses w/profit	37,925,489	74,466,554	141,547,510	138,215,539	108,170,744	124,417,490
Deficit, businesses w/o profit	6,079,411	6,059,927	15,879,695	21,440,146	32,379,481	29,086,525
Income tax before credits	16,744,905	32,306,739	59,577,413	58,820,480	45,015,096	50,950,976
Total income tax after credits[1]	13,242,226	21,024,964	32,701,861	30,115,496	26,616,529	24,960,640
Distributions to stockholders except in own stock	14,616,282	19,973,061	37,306,509	41,434,134	43,912,134	43,295,901

Table 7. (Continued) — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items by Industrial Division for Selected Years, 1970-1983
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industrial division and items	1970	1975	1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns, total	67,398	80,701	111,324	109,127	115,470	122,567
Number with net income	38,204	45,360	62,232	56,480	59,793	61,588
Total assets	287,740,207	443,236,797	758,364,400	837,300,816	919,861,069	998,870,785
Total liabilities	166,535,185	266,792,390	467,708,707	516,438,230	566,980,444	604,586,653
Total receipts	135,495,271	243,480,637	523,807,396	598,507,994	632,294,442	657,421,487
Business receipts	131,463,171	234,689,427	507,372,820	575,602,089	606,039,657	627,836,585
Interest received	930,266	1,520,913	5,760,072	8,048,746	9,138,892	9,425,382
Total deductions	127,931,131	233,409,166	503,954,285	579,172,068	614,397,320	638,194,372
Cost of sales and operations	77,743,359	143,932,463	336,868,172	358,354,512	338,796,961	339,191,696
Interest paid	7,364,200	13,761,062	27,638,591	34,085,384	36,839,460	36,787,550
Net income (less loss)	7,543,718	10,099,571	20,046,155	19,573,717	18,335,959	19,492,314
Net income, businesses w/profit.	9,471,595	12,088,189	24,917,293	25,739,287	27,378,633	28,040,349
Deficit, businesses w/o profit..	1,927,877	1,988,618	4,871,138	6,165,570	9,042,673	8,548,036
Income tax before credits	4,342,334	5,107,158	10,532,722	10,481,203	11,356,073	11,621,625
Total income tax after credits[1]	4,036,650	2,836,470	5,322,990	5,065,529	4,925,936	5,429,973
Distributions to stockholders except in own stock	5,837,565	8,900,353	17,329,807	19,622,705	21,438,500	24,540,824
WHOLESALE AND RETAIL TRADE						
Number of returns, total	518,062	614,632	799,628	816,836	839,547	851,785
Number with net income	339,987	399,668	487,300	476,877	468,108	492,057
Total assets	192,181,800	323,496,726	646,901,005	708,060,408	753,351,132	804,242,963
Total liabilities	115,179,668	200,846,992	424,611,318	472,256,895	501,934,034	539,020,572
Total receipts	522,547,923	969,938,872	1,955,523,778	2,039,628,384	2,017,701,364	2,119,444,862
Business receipts	511,316,883	951,463,550	1,919,347,689	1,997,262,710	1,972,305,356	2,071,264,407
Interest received	1,291,906	3,857,318	10,503,989	14,319,277	14,373,589	14,522,800
Total deductions	512,910,193	947,511,780	1,919,454,218	2,006,891,471	1,989,739,286	2,084,482,953
Cost of sales and operations	392,391,856	745,299,204	1,538,128,634	1,594,256,679	1,556,263,179	1,626,952,423
Interest paid	4,309,663	8,587,173	25,645,855	30,997,865	30,429,310	27,598,584
Net income (less loss)	9,671,044	22,489,430	38,309,671	33,320,403	28,442,678	35,292,870
Net income, businesses w/profit.	12,395,411	27,681,721	49,426,500	47,657,374	45,747,936	50,844,081
Deficit, businesses w/o profit..	2,724,367	5,192,291	11,116,829	14,336,971	17,305,258	15,551,210
Income tax before credits	4,476,047	8,103,316	13,515,653	12,329,212	11,372,087	12,910,870
Total income tax after credits[1]	4,237,181	7,348,619	10,550,255	10,282,598	9,379,328	10,653,391
Distributions to stockholders except in own stock	2,068,501	5,029,897	10,343,087	10,034,841	12,069,015	12,722,120
FINANCE, INSURANCE AND REAL ESTATE						
Number of returns, total	406,235	411,846	493,426	469,795	461,630	479,656
Number with net income	248,586	243,409	273,853	258,622	252,689	269,267
Total assets	1,401,153,520	2,321,965,956	4,022,206,073	4,486,191,441	4,987,466,401	5,487,225,439
Total liabilities	1,204,673,072	2,052,195,429	3,491,664,756	3,830,001,863	4,220,527,191	4,670,418,974
Total receipts	177,321,173	315,795,981	697,460,846	877,808,946	949,867,877	902,822,472
Business receipts	92,091,887	157,126,715	256,892,475	330,631,846	337,493,098	362,627,365
Interest received	63,694,046	127,040,303	315,146,115	421,159,015	456,333,537	439,387,426
Total deductions	161,630,060	297,963,817	652,637,787	838,764,803	915,164,762	856,678,689
Cost of sales and operations	48,434,362	84,614,209	129,644,330	162,447,596	169,435,694	172,818,057
Interest paid	34,548,509	77,677,659	219,167,684	314,128,780	340,960,344	310,356,963
Net income (less loss)	12,214,079	11,663,330	33,122,792	26,346,494	21,804,088	31,714,771
Net income, businesses w/profit.	15,081,939	18,825,003	46,040,390	53,018,005	57,745,075	601,135,503
Deficit, businesses w/o profit..	2,867,860	7,161,673	12,917,599	26,671,510	35,940,986	28,398,732
Income tax before credits	4,404,449	5,558,647	9,680,755	7,968,422	7,643,631	8,540,701
Total income tax after credits[1]	4,150,009	4,673,705	7,698,134	6,037,489	5,497,997	5,696,723
Distributions to stockholders except in own stock	7,387,211	8,729,977	24,692,146	41,998,295	46,504,963	41,592,101
SERVICES						
Number of returns, total	281,218	435,672	671,338	752,813	819,706	848,394
Number with net income	150,525	249,641	408,716	441,100	472,799	481,888
Total assets	61,875,140	90,534,067	178,163,737	213,724,531	237,876,895	269,797,251
Total liabilities	42,346,078	63,678,693	125,298,224	152,673,683	170,091,510	195,086,592
Total receipts	69,572,626	131,377,364	279,883,187	346,846,723	380,767,394	416,462,427
Business receipts	66,459,515	125,747,462	266,088,619	328,053,889	355,090,610	392,064,594
Interest received	435,070	875,506	3,269,412	4,696,008	5,120,807	4,596,725
Total deductions	68,384,452	127,996,443	271,792,974	338,790,049	373,717,841	410,486,562
Cost of sales and operations	37,733,747	63,724,869	129,352,692	157,886,393	135,273,962	143,277,759
Interest paid	1,802,802	3,279,438	8,033,612	10,472,892	11,265,412	11,798,141
Net income (less loss)	1,198,703	3,396,744	8,193,903	8,197,916	7,199,258	6,002,928
Net income, businesses w/profit.	3,384,869	6,025,592	13,246,601	15,182,552	16,061,222	16,959,225
Deficit, businesses w/o profit..	2,186,166	2,628,848	5,052,698	6,984,635	8,861,964	10,956,298
Income tax before credits	1,058,264	1,625,093	3,497,265	4,029,725	3,885,618	3,779,735
Total income tax after credits[1]	1,003,130	1,323,637	2,613,888	2,943,149	2,617,390	2,673,706
Distributions to stockholders except in own stock	558,452	855,402	1,841,945	2,491,324	3,269,285	2,407,362

See notes following Table 13.

Table 8. — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items for Selected Years, 1970-1983

[All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	1970	1975	1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	1,665,477	2,023,647	2,710,538	2,812,420	2,925,933	2,999,071
Number with net income	1,008,337	1,226,208	1,596,632	1,597,298	1,608,363	1,676,288
Small Business Corp. returns	257,475	358,413	545,389	541,489	564,219	648,267
DISC returns	N/A	6,431	8,665	9,408	9,663	9,898
Total assets	2,634,706,564	4,286,556,273	7,617,238,403	8,547,161,872	9,357,784,804	10,201,084,144
Notes and acc'ts receivable	614,667,376	1,051,542,806	1,984,601,790	2,239,832,960	2,420,475,398	2,677,367,962
Inventories	190,401,642	317,718,545	534,806,547	588,219,956	581,241,455	599,445,162
Investments in Gov't obligations	196,625,390	316,131,699	472,059,737	514,837,697	605,513,662	685,146,228
Net capital assets, except land[1]	552,838,384	825,107,002	1,418,605,742	1,591,843,868	1,761,860,557	1,843,681,474
Total liabilities	1,882,295,401	3,189,491,468	5,672,850,147	6,303,221,090	6,888,211,820	7,555,652,594
Accounts payable	148,812,597	263,417,584	542,172,368	619,969,292	678,630,282	671,495,438
Short-term debt[2]	170,884,261	272,123,551	504,802,288	585,947,678	667,060,956	759,536,076
Long-term debt[2]	362,700,303	586,703,526	986,663,932	1,058,070,877	1,224,277,725	1,323,209,421
Net worth	752,411,163	1,097,064,806	1,944,388,256	2,243,940,782	2,469,572,984	2,645,431,550
Total receipts	1,750,776,503	3,198,627,860	6,361,284,012	7,026,351,839	7,024,097,766	6,135,494,059
Business receipts	1,620,885,576	2,961,729,640	5,731,616,337	6,244,678,064	6,156,994,009	6,334,602,711
Interest on Gov't obligations	9,687,116	17,264,405	38,061,592	50,519,552	n.a.	n.a.
State and Local	3,775,917	6,711,606	12,620,876	13,881,460	14,124,877	16,667,263
United States	5,911,199	10,552,799	25,440,716	36,638,092	515,628,874	494,603,803
Other interest	61,883,309	126,034,505	328,802,958	442,918,194		
Rents and royalties	16,524,889	26,932,271	53,821,391	67,522,636	83,051,513	83,456,506
Net short-term capital gain less net long-term capital loss	190,439	301,601	2,013,510	2,178,572	2,882,207	5,048,854
Net long-term capital gain less net short-term capital loss	5,481,580	8,364,523	24,910,957	29,064,630	26,318,184	33,924,549
Net gain, sales of noncap. assets	5,315,562	7,757,237	20,117,615	16,639,271	20,992,023	26,134,711
Dividends received from domestic corporations	5,238,421	8,818,282	18,654,800	17,442,112	18,155,559	19,696,776
Dividends received from foreign corporations	3,466,515	5,467,726	14,563,353	13,790,320	13,950,906	13,892,070
Total deductions	1,682,778,847	3,052,674,597	6,125,365,155	6,813,841,356	6,869,267,462	6,945,457,358
Cost of sales and operations	1,146,263,273	2,129,928,467	4,204,905,905	4,509,198,199	4,270,850,310	4,308,238,989
Bad debts	6,479,814	13,781,147	18,769,771	22,286,815	26,690,963	30,543,184
Taxes paid	49,523,243	81,530,302	163,003,622	170,470,926	165,888,353	173,420,116
Interest paid	62,055,010	129,307,921	344,612,542	476,964,684	515,032,667	475,060,444
Contributions or gifts	797,029	1,202,130	2,358,554	2,514,425	2,906,476	3,626,605
Depreciation	52,941,266	86,295,664	157,345,828	186,195,048	213,179,160	241,491,819
Depletion	5,623,339	5,341,489	8,871,993	7,929,396	7,021,176	7,574,216
Pension, profit-sharing, stock bonus, and annuity plans	12,225,912	26,526,129	51,529,310	52,952,583	54,232,011	54,355,062
Net loss, sales of noncap. assets	1,289,305	1,804,079	5,903,104	7,943,607	10,367,020	7,615,697
Net income (less loss)	65,901,614	142,636,826	239,006,542	213,648,962	154,334,143	188,313,928
Net income, businesses w/profit	83,710,924	169,483,336	296,787,201	301,440,778	274,352,942	296,932,146
Net loss, businesses w/o profit	17,809,310	26,846,510	57,780,659	87,791,816	120,018,799	108,618,218
Income subject to tax	72,374,437	146,589,287	246,598,486	240,422,626	205,175,407	218,686,396
Income tax before credits[3]	32,949,937	65,769,822	103,831,172	100,644,417	85,077,493	90,461,858
Tax credits, total	5,414,940	26,452,791	42,167,741	43,813,131	39,694,245	40,356,349
Foreign tax credit	4,548,986	19,987,724	24,861,315	21,828,686	19,137,201	19,951,165
Possessions tax credit	N/A	N/A	1,565,681	1,945,637	2,026,980	1,583,007
Investment credit	865,954	6,459,746	15,102,812	18,887,286	17,312,702	16,145,173
Jobs credit	N/A	N/A	601,444	472,895	327,285	449,224
Research credit	N/A	N/A	N/A	639,302	839,220	1,277,474
Income tax after credits	27,534,997	39,317,031	61,663,431	56,831,286	45,383,248	50,105,509
Additional tax for tax preferences	265,249	156,740	438,820	524,851	478,457	561,505
Total income tax	27,878,078	39,691,517	62,974,695	58,444,720	47,071,909	51,862,218
Distributions to stockholders, except in own stock	32,012,677	45,224,392	97,378,617	120,295,338	132,478,411	r128,298,545

See notes following Table 13.

Table 9.—Gross Internal Revenue Collections: Amount Collected by Quarter and Fiscal Year, 1982-1986
[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return					
	Total	Individual income taxes[1]	Corporation income taxes[2]	Excise taxes[3]	Employment taxes[4]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1982 TOTAL	632,241	352,609	65,991	36,779	168,718	8,143
October 1981 - December 1981	137,570	71,526	15,898	10,577	37,654	1,915
January 1982 - March 1982	154,128	85,930	14,722	9,426	41,751	2,299
April 1982 - June 1982	196,506	113,852	23,115	8,389	49,165	1,986
July 1982 - September 1982	144,036	81,301	12,256	8,387	40,148	1,943
FISCAL YEAR 1983 TOTAL	627,247	349,628	61,780	35,766	173,848	6,226
October 1982 - December 1982	132,205	70,312	13,404	8,498	38,404	1,588
January 1983 - March 1983	150,019	86,853	11,494	8,222	41,930	1,519
April 1983 - June 1983	194,431	111,721	22,027	8,947	50,219	1,516
July 1983 - September 1983	150,591	80,742	14,855	10,097	43,294	1,602
FISCAL YEAR 1984 TOTAL	680,475	362,892	74,179	38,017	199,210	6,177
October 1983 - December 1983	141,849	73,379	16,208	9,654	41,132	1,476
January 1984 - March 1984	164,681	89,316	14,337	8,862	50,545	1,622
April 1984 - June 1984	208,814	114,525	25,990	9,680	57,061	1,558
July 1984 - September 1984	165,131	85,672	17,644	9,822	50,472	1,521
FISCAL YEAR 1985 TOTAL	742,871	396,659	77,413	37,005	225,214	6,580
October 1984 - December 1984	155,919	79,775	17,546	9,732	47,286	1,580
January 1985 - March 1985	176,324	89,325	17,350	8,650	59,352	1,647
April 1985 - June 1985	233,946	136,141	24,843	9,013	62,313	1,636
July 1985 - September 1985	176,682	91,418	17,674	9,610	56,263	1,717
FISCAL YEAR 1986						
October 1985 - December 1985	167,836	86,608	18,854	9,321	51,354	1,699
January 1986 - March 1986	186,178	97,804	16,243	8,175	62,309	1,647

See notes following Table 13.

Table 10.—Internal Revenue Refunds: Amounts Refunded by Quarter and Fiscal Year, 1982-1986
[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total	Individual income taxes[1]	Corporation income taxes[2]	Excise taxes[3]	Employment taxes[4]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1982 TOTAL	75,202	55,102	17,974	367	1,578	181
October 1981 - December 1981	5,530	1,347	3,920	42	185	37
January 1982 - March 1982	24,024	19,338	4,197	76	377	36
April 1982 - June 1982	35,793	30,481	4,298	163	796	54
July 1982 - September 1982	9,855	3,936	5,559	86	220	53
FISCAL YEAR 1983 TOTAL	89,761	61,198	26,012	493	1,849	208
October 1982 - December 1982	9,411	1,875	7,030	58	397	52
January 1983 - March 1983	23,928	16,548	6,838	108	372	62
April 1983 - June 1983	46,715	38,341	7,421	194	721	38
July 1983 - September 1983	9,705	4,434	4,723	133	359	56
FISCAL YEAR 1984 TOTAL	85,872	64,629	17,889	657	2,486	211
October 1983 - December 1983	7,201	2,064	4,548	195	325	69
January 1984 - March 1984	25,285	19,613	4,850	129	646	47
April 1984 - June 1984	44,859	38,161	5,452	230	968	47
July 1984 - September 1984	8,527	4,790	3,039	103	547	48
FISCAL YEAR 1985 TOTAL	86,320	66,908	16,725	892	1,605	190
October 1984 - December 1984	6,729	2,246	4,177	122	138	46
January 1985 - March 1985	17,664	12,808	4,286	91	439	40
April 1985 - June 1985	52,376	46,370	4,701	556	702	47
July 1985 - September 1985	9,551	5,484	3,561	123	326	57
FISCAL YEAR 1986						
October 1985 - December 1985	7,948	3,003	4,268	128	488	61
January 1986 - March 1986	25,895	19,950	4,997	320	577	51

See notes following Table 13.

Table 11.—Classes of Excise Taxes by Selected Fiscal Year, 1970–1986
[Money amounts are in thousands of dollars]

Selected class of tax	Taxes collected by fiscal year					
	1970	1975	1980	1983	1984	1985
	(1)	(2)	(3)	(4)	(5)	(6)
ALCOHOL TAXES, TOTAL	4,746,382	5,350,858	5,704,768	5,634,853	5,402,467	5,398,100
Distilled spirits	3,501,538	3,865,162	3,945,377	3,798,148	3,566,482	3,520,697
Wine	163,337	177,113	211,538	239,329	319,920	305,966
Beer	1,081,507	1,308,583	1,547,853	1,597,375	1,516,064	1,571,436
TOBACCO TAXES, TOTAL	2,094,212	2,315,090	2,446,416	4,139,810	4,663,610	4,483,193
Cigarettes	2,036,101	2,261,116	2,402,857	4,099,226	4,623,288	4,448,916
Cigars	56,834	51,226	39,500	33,716	30,372	24,294
MANUFACTURERS EXCISE TAXES, TOTAL	6,683,061	5,516,611	6,487,421	6,776,023	r10,107,930	10,020,574
Gasoline and lubricating oil [1]	3,517,586	4,071,465	4,326,549	4,953,267	9,020,413	9,062,630
Tires, tubes and tread rubber [2]	614,795	697,660	682,624	677,966	423,315	242,923
Motor vehicles, bodies, parts [3]	1,753,327	662,556	1,088,696	516,872	-14,777	N/A
Recreational products	53,427	84,946	136,521	132,672	132,448	166,666
Black Lung taxes	N/A	N/A	251,288	490,731	525,422	548,356
SPECIAL FUELS, AND RETAILERS TAXES, TOTAL [4]	257,820	404,187	560,144	831,196	r2,579,747	3,802,608
Diesel and special motor fuels	257,712	370,489	512,718	742,380	1,571,437	2,430,165
Trucks and buses	N/A	N/A	N/A	N/A	932,645	1,289,750
MISCELLANEOUS EXCISE TAXES, TOTAL	2,084,730	3,306,077	6,359,198	19,228,685	r13,319,322	11,044,833
Telephone and teletype [5]	1,469,562	2,023,744	1,117,834	1,048,317	2,034,965	2,307,607
Air transportation	250,802	850,567	1,748,837	1,898,786	2,456,712	2,589,818
Highway use tax	135,086	207,663	263,272	287,457	175,054	456,143
Foreign insurance [6]	8,614	19,458	74,630	-44,440	56,037	73,494
Exempt organization net investment income	N/A	63,828	65,280	112,380	146,806	136,153
Crude oil windfall profit	N/A	N/A	3,051,719	15,660,081	8,120,274	5,073,159
Environmental taxes (Superfund)	N/A	N/A	N/A	235,954	275,389	272,957

Selected class of tax	Fiscal year quarter ending					
	Dec. 1984	Mar. 1985	June 1985	Sept. 1985	Dec. 1985	Mar. 1986 (Preliminary)
	(7)	(8)	(9)	(10)	(11)	(12)
ALCOHOL TAXES, TOTAL	1,298,724	1,239,795	1,238,983	1,620,598	1,115,975	1,567,328
Distilled spirits	888,691	859,709	752,229	1,020,068	776,644	1,048,523
Wine	r105,370	60,328	58,927	81,341	77,478	138,732
Beer	r304,663	319,758	427,826	519,189	261,853	380,073
TOBACCO TAXES, TOTAL	727,357	1,601,544	914,703	1,239,589	816,606	1,246,160
Cigarettes	719,345	1,593,363	907,627	1,228,581	810,418	1,237,089
Cigars	5,384	5,683	4,261	8,966	3,651	7,315
MANUFACTURERS EXCISE TAXES, TOTAL	r2,549,116	2,547,693	2,651,955	2,299,302	2,148,292	2,525,371
Gasoline and lubricating oil [1]	2,300,865	2,321,565	2,389,356	2,050,740	1,890,306	2,275,074
Tires, tubes and tread rubber [2]	51,738	51,885	64,634	74,666	76,050	74,557
Motor vehicles, bodies, parts [3]	-2,325 [7]	-236 [7]	3,744	N/A	N/A	N/A
Recreational products	44,031	23,944	56,960	41,750	46,855	41,697
Black Lung taxes	152,577	138,546	125,087	132,146	135,080	134,042
SPECIAL FUELS AND RETAILERS TAXES, TOTAL [4]	r886,347	r915,536	1,001,597	1,007,787	931,944	979,041
Diesel and special motor fuels	548,487	583,945	631,603	666,130	642,800	650,678
Trucks and buses, chassis, bodies, etc.	318,282	312,982	340,502	317,985	268,615	309,123
MISCELLANEOUS EXCISE TAXES, TOTAL	r2,682,278	r1,838,961	2,751,198	3,747,992	4,557,274	4,622,109
Telephone and teletype [5]	521,220	530,468	649,170	606,749	556,278	633,066
Air transportation	647,672	640,055	683,413	618,678	717,665	665,993
Highway use tax	103,260	49,293	78,167	225,423	53,447	135,774
Foreign insurance [6]	18,876	14,958	20,462	19,197	21,075	29,059
Exempt organization net investment income	14,655	11,537	58,396	51,566	26,073	55,476
Crude oil windfall profit	1,289,421	498,450	1,189,069	2,096,218	3,079,427	3,062,418
Environmental taxes (Superfund)	70,415	65,902	65,458	71,182	68,538	n.a.

See notes following Table 13.

Table 12.—Selected Returns and Forms Filed During Selected Calendar Years, 1970-1986

Type of return or form	Calendar Year						
	Number Filed						1986 Projected r(Preliminary)
	1970	1975	1980	1983	1984	1985	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Individual income[1]	77,281,384	84,026,785	93,194,916	95,701,801	96,651,754	99,704,246	102,959,400
Form 1040	77,143,251	61,450,279	55,360,030	59,580,123	61,185,893	64,010,068	66,871,500
Nonbusiness	68,129,351	51,377,153	43,957,141	46,631,876	47,411,432	49,873,300	52,128,500
Business	9,013,900	10,073,126	11,402,889	12,948,247	13,774,461	14,136,768	14,743,000
Schedule C	6,351,304	7,438,968	8,944,298	10,507,205	11,326,739	11,767,348	12,272,100
Schedule F	2,662,596	2,634,158	2,458,591	2,441,042	2,447,722	2,369,420	2,470,900
Form 1040A	N/A	22,462,776	37,692,282	21,045,266	19,590,110	18,779,084	18,372,800
Form 1040EZ	N/A	N/A	N/A	14,915,949	15,720,860	16,739,767	17,555,700
Corporation income:							
Form 1120	1,487,244	1,705,789	2,030,092	2,461,461	2,453,162	2,432,265	2,544,800
Form 1120A	N/A	N/A	N/A	N/A	N/A	199,665	208,900
Form 1120S	248,936	367,219	528,070	616,719	653,640	736,945	769,100
Partnership, Form 1065	991,904	1,132,839	1,401,567	1,613,493	1,675,605	1,755,339	1,803,000
Fiduciary, Form 1041[2]	1,149,445	1,558,570	1,876,392	2,019,483	2,021,954	2,124,969	2,153,700
Estate Tax, Forms 706 and 706NA	141,156	225,827	147,303	106,409	81,334	80,768	61,800
Gift Tax, Form 709	146,338	273,184	214,389	93,260	88,991	97,720	122,200
Exempt Organization[3]	387,469	433,446	438,153	429,115	399,987	454,097	474,100
Form 990[4]	377,030	346,627	362,632	344,216	319,859	365,506	381,200
Form 990-PF	N/A	29,637	33,137	33,232	29,107	32,005	33,500
Form 990-T	5,041	19,683	23,455	25,598	25,115	26,181	27,700

See notes on following Table 13.

Table 13.—Taxpayers Receiving Assistance, Paid and Unpaid, by Tax Year of Return, 1982-1984
[Some estimates are based on samples—all data are in thousands]

Type of assistance	Tax Year		
	1982	1983	1984
	(1)	(2)	(3)
Returns with paid preparer signature[1]:			
All returns	42,116	43,258	48,343
1040EZ	428	694	886
1040A	5,701	5,144	4,773
1040, total	35,987	37,421	42,684
1040 Business, total	9,191	9,563	12,203
Nonfarm	7,363	7,764	9,640
Farm	1,828	1,800	2,563
1040 Nonbusiness, total	26,796	27,858	30,481
With itemized deductions	15,334	16,475	20,197
Without itemized deductions	11,462	11,383	10,284
Assistance provided by IRS[2]:			
Telephone inquiries	39,863	42,212	41,904
Recorded telephone information	1,855	3,406	8,307
Office walk-ins, information	8,586	8,963	8,144
Written inquiries	148	163	160
Special programs:			
Community classes and seminars (taxpayers assisted)	40	313	400
Volunteer Income Tax Assistance (VITA) (returns prepared)	266	285	295
Tax Counseling for the Elderly (returns prepared)	145	185	199

See notes on following page.

General notations

N/A - Not applicable

n.a. - Not available

p - Preliminary

r - Revised

Table 1

[1] Includes total itemized deductions, charitable contributions for nonitemizers, and zero bracket amounts on nonitemized returns.

[2] Includes surcharge of $2,018,078,000.

[3] Includes credits not shown separately below.

[4] For Tax Year 1983, the alternative minimum tax was revised and the minimum tax was abolished. The revised alternative minimum tax starting with 1983 covered many of the tax preference items that had previously been subject to the minimum tax. Also, the alternative minimum tax rate was increased. (For 1983 and 1984, data on the former minimum tax could be reported on prior-year returns processed during the current-year filing period).

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 2

[1] Includes exemptions for age and blindness.

[2] Totals in Table 2 do not agree with Tables 1 and 3 because they were obtained from a different source. For purposes of Table 2:

a. Number of returns by state include, in addition to Forms 1040, 1040A and 1040EZ filed by U.S. citizens and residents, Forms 1040NR filed by nonresident aliens, as well as self-employment tax returns used in Puerto Rico and certain U.S. territories and possessions.

b. "Total tax" liability includes total income tax plus tax from recomputing prior-year investment credit, tax applicable to Individual Retirement Arrangements (IRA's), self-employment tax, social security tax on tip income, and certain other income-related taxes. Total tax is before reduction by earned income credit (see also footnote (c), below).

c. Earned income credit, available to certain low-income workers, could result in a refund (1) if there was no "total tax" (as defined in footnote (b), above), in which case the full amount was refundable, or (2) if the credit exceeded "total tax," in which case the excess was refundable. The difference between columns 19 and 21 is the refundable portion.

Total tax (column 16) minus earned income credit (column 21) is the amount most comparable to total tax in Tables 1 and 3. The total tax which results from this subtraction differs from Tables 1 and 3 because it includes additional taxes (see footnote (b), above) and because earned income credit used to offset tax (column 21) also includes amounts offset against these additional taxes.

[3] Includes, for example, returns filed from Army Post Office and Fleet Post Office addresses by servicemen and women stationed overseas; returns filed by other U.S. citizens abroad; and returns filed by residents of Puerto Rico with income from sources outside Puerto Rico or with income earned as U.S. Government employees.

NOTE: This table presents aggregates of all returns filed and processed through the Individual Master File (IMF) system during Calendar Year 1985. Data have not been edited for Statistics of Income purposes.

SOURCE: Internal Revenue Service, Software Division, IMF Returns Systems Branch.

Table 3

[1] Includes income tax after credits and the additional tax for tax preferences, i.e., minimum tax and alternative minimum tax.

[2] For many taxpayers in this size class includes additional tax for tax preferences not included in "taxable income."

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 4

[1] Includes breakeven businesses.

SOURCE: Statistics of Income--Sole Proprietorship Returns, appropriate years, and SOI Bulletin, Summer issues. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 5

[1] Total assets, total liabilities and partners' capital account are somewhat understated because not all partnership returns included a complete balance sheet.

[2] Short-term debt is the abbreviated title given to mortgages, notes and bonds payable in less than 1 year.

[3] Long-term debt is the abbreviated title given to mortgages, notes and bonds payable in 1 year or more. In addition, for Tax Year 1975, long-term debt included nonrecourse loans.

[4] See footnote 4 Table 6, for changes in the comparability of the statistics for receipts and deductions starting with 1981. Also, statistics for interest received are combined with dividends beginning with 1982.

[5] Beginning with 1981, represents the more all-inclusive amounts reported in depreciation computation schedules rather than the amounts reported as the depreciation deduction (plus depreciation identified in cost of sales and operations schedules).

SOURCE: Statistics of Income--Partnership Returns, appropriate years, and SOI Bulletin, Summer issues. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 6

[1] Size classes are based on business receipts, i.e., gross amounts from sales and operations, for industries except finance, insurance and real estate. For the latter industries, total receipts, which is the sum of business receipts and investment income, was used. For partnerships, see also footnote 3, below.

[2] Includes returns with no receipts as defined in footnote 1.

[3] Includes corporations with zero assets and liabilities.

[4] Beginning with 1981, "total receipts" in Table 5 includes, in part, only the net income or loss from farming and rentals. Previously, "total receipts" included the gross receipts from farming and rentals and, if rental receipts were the principal source of total receipts, they were treated as "business receipts" for the statistics. To help minimize the break in comparability caused by this change in statistical treatment of farm and rental income, an effort was made for 1981-82 to include rental (though not farm) gross receipts in the receipts used for the size distribution in Table 6.

In Table 5, since only the net income or loss from farming and rentals was included starting with 1981, the deductions reported in computing these net incomes are excluded from the deduction statistics. For previous years, these deductions are reflected in the deduction statistics.

[5] Prior to 1979, partnerships that had liquidated were assumed to have zero assets and liabilities, even if their balance sheets showed otherwise, and were included in the "under $25,000" asset size class. Beginning with 1980, balance sheet data reported for liquidated partnerships were tabulated as reported and were included in the appropriate asset size classes.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years, Statistics of Income--Partnership Returns, appropriate years, Statistics of Income--Sole Proprietorship Returns, appropriate years, and SOI Bulletin, Summer issues. Tax law changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of law changes.

Table 7

[1] Includes additional tax for tax preferences (minimum tax), tax from recomputing prior year investment credit and Personal Holding Company tax.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of law changes.

Table 8

[1] Net capital assets, except land, consists of depreciable, depletable, and intangible assets less accumulated depreciation, depletion and amortization.

[2] Short-term debt is the abbreviated title given to mortgages, notes and bonds payable in less than 1 year. Long-term debt is the abbreviated title given to mortgages, notes and bonds payable in 1 year or more.

[3] Consists of regular and alternative tax. Tax Year 1970 includes surcharge of $784,437,000.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of law changes.

Tables 9 and 10

[1] Individual income tax collected includes that portion which was designated for the presidential election campaign fund by taxpayers on their returns. Also included is the fidiciary income tax collected (from estates and trusts). Fidiciary income tax collected was $4.1 billion in 1985, $2.9 billion in 1984, $2.7 billion in 1983, and $2.6 billion in 1982. Presidential election campaign designations amounted to $34.8 million in 1985 and 1984, $35.5 million in 1983, and $39.0 million in 1982.

[2] Corporation income tax collected includes the tax on "unrelated business income" of tax-exempt organizations. Unrelated business income tax collected was $69.8 million (1985), $50.0 million (1984), $45.1 million (1983), and $64.7 million (1982).

[3] Excise taxes are imposed on selected products, services and activities, such as those on alcohol and tobacco products and the windfall profit tax on domestically-produced crude oil.

[4] Employment taxes include payroll taxes levied on salaries and wages, such as social security, railroad retirement and unemployment taxes; plus the self-employment tax imposed on "self-employment income".

NOTES: Collections (or refunds) are those made during the time periods indicated, regardless of the year or other period during which the tax liability was incurred (or to which the refund applied).

Collections represent the gross amounts before refunds and include amounts paid with the return; prior to filing the return (as applicable, income tax withheld by employers and estimated tax payments); and subsequent to filing the return (chiefly the result of initial return processing or of examination and enforcement activities). Collections also include interest and penalties.

Refunds result chiefly from tax overpayments determined at time of filing a return. Included are amounts subsequently determined as due the taxpayer as a result of an amended return or a claim for refund (including those produced by "net operating loss" and other carryback adjustments from future taxable years); or as a result of initial return processing or of examination and other activities. Individual income tax refunds are net of offsets under a law which requires IRS to act as collection agent for state welfare agencies so that these agencies can be reimbursed for the support they furnished through Aid to Families with Dependent Children (AFDC) programs. All refund data include interest paid by IRS.

Detail may not add to totals because of rounding.

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

Table 11

[1] Includes a one-time tax of 5 cents per gallon on gasoline and 4 cents per gallon on gasohol imposed on inventories of dealers as of April 1, 1983. Taxes on lubricating oil were repealed effective January 5, 1983.

[2] Effective January 1, 1984, taxes on tubes and tread rubber were repealed, and dealers holding taxable tires were assessed a one-time floor stock tax.

[3] Effective January 7, 1983, the excise taxes on parts and accessories for trucks and buses, which are included in this classification, were repealed. Beginning with the quarter ending December 1983, motor vehicles are excluded.

[4] Special fuels, total includes diesel and special motor fuels which were classified as miscellaneous excise taxes in 1970. Beginning with the quarter ending December 1983, motor vehicles are included.

[5] Effective January 1, 1983, the excise tax increased from 1 percent to 3 percent.

[6] The negative amounts are due to refunds of this tax under the United States - United Kingdom Income Tax Treaty, which provides for an exemption from the tax retroactive to January 1, 1975. Also, a similar United States - France treaty provides for an exemption retroactive to January 1, 1979.

[7] This amount reflects adjustments made for prior quarters.

NOTES: For 1970 and 1975, the fiscal year was defined as July of the previous calendar year through June of the year noted. For 1980-84, the fiscal year was defined as October of the previous calendar year through September of the year noted.

Additional detail is published in the Annual Report of the Commissioner and Chief Counsel, Internal Revenue Service.

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

Table 12

1] Includes Forms 1040C, PR and SS.

2] Includes Form 1041A in 1970 and 1975.

3] Included in totals, but not in the detail are Forms 990C, 4720, and 5227.

4] Includes Form 990A in 1970.

SOURCE: Internal Revenue Service, Research Division, Projections and Forecasting Group.

Table 13

[1] 1984 projections are based on converting 1984 Taxpayer Usage Study sample (TPUS) to the equivalent of the Statistics of Income (SOI) sample. This was done because the TPUS sample represents returns filed through April, while the SOI sample represents all individual income tax returns filed for a calendar year. For additional information about the TPUS sample, see the Summer 1985 issue of the SOI Bulletin.

[2] Data on IRS Taxpayer Service Programs are collected on a fiscal-year basis. In general, assistance rendered in a given fiscal year may be related to returns due on April 15th during the fiscal year and are for the tax year ending with the previous December. Therefore, data in Table 13, which are presented on a tax year basis are actually for a fiscal year, e.g., data shown as for Tax Year 1982 are actually for Fiscal Year 1983.

NOTE: Data on IRS assistance represent taxpayer contacts. Some taxpayers make more than one contact. The number of taxpayers assisted (in contrast to the number of contacts made) is not known.

SOURCE: Data on paid preparers obtained from Statistics of Income and Taxpayer Usage Study samples. Data on IRS assistance were compiled by the Taxpayer Service Division.

Appendix*

General Description of Statistics of Income Sample Procedures and Data Limitations

This appendix discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation, and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports (see References). More technical information is available, upon request, by writing to the Director, Statistics of Income Division, Internal Revenue Service, Washington, DC 20224.

SAMPLE CRITERIA AND SELECTION OF RETURNS

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. The samples are based on such criteria as: industry, presence or absence of a return form schedule, accounting period, state from which filed and various income factors or other measures of economic size (such as total assets in the case of corporations).

The probability of a return being designated depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints based on the allowable total cost or predetermined size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master File based on the taxpayer identification number (TIN) which is either the social security number (SSN) or the employer identification number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise it is counted (for estimation purposes) but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TIN's designed from one year's sample are for the most part selected for the next year's, so that a very high proportion of the returns selected in the current sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from one year to the next.

METHOD OF ESTIMATION

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. Weights are, in general, computed by dividing the count of returns filed for a given stratum by the count of sample returns for that same stratum. "Weights" are used to adjust for the various sampling rates used--the lower the rate, the larger the weight.

The data on each return in a stratum are then multiplied by that weight. To produce the tabulated estimates, these weighted data are summed to produce the published statistical totals.

SAMPLING VARIABILITY

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the

*Compiled by Bettye Jamerson, Coordination and Publications Staff, under the direction of Robert Wilson, Team Leader. Major contributions were made by Paul McMahon, Corporation Statistics Branch, Operations Section.

same sample design. Estimates derived from the different samples usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In SOI reports the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in decimal form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its coefficient of variation to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 0.02, then the following arithmetic procedure would be followed to construct a 68 percent confidence interval estimate:

150,000	(sample estimate)
x 0.02	(coefficient of variation)
= 3,000	(standard error of estimate)
150,000	(sample estimate)
+ or - 3,000	(standard error)
= 147,000-153,000	(68% confidence interval)

Based on these data, the interval estimate is from 147 to 153 thousand returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds of all possible similarly selected samples. To obtain this interval estimate with 95 percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Further details concerning confidence intervals, including the approximation of CV's for combined sample estimates, may be obtained on request by writing the Director, Statistics of Income Division.

Generally in the SOI Bulletin only conservative upper limit CV's are provided for frequency estimates. These do, however, provide a rough guide to the order of magnitude of the sampling error.

NONSAMPLING ERROR CONTROLS AND LIMITATIONS

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors, processing errors, and effects of an early cut-off of sampling. More extensive information on nonsampling error is presented in SOI reports, when appropriate.

In transcribing and tabulating the information from the returns or forms selected for the sample, checks are imposed to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during statistical "editing" in order both to improve data consistency from return to return and to achieve definitions of the data items that are more in keeping with the needs of major users. In some cases not all of the data are available from the tax return as originally filed. Sometimes the missing data can be obtained through field followup. More often though, they are obtained through imputation methods. As examples, other information in the return or in accompanying schedules may be sufficient to enable an estimate to be made; prior-year data for the same taxpayer may be used for the same purpose; or data from another return for the same year that has similar characteristics may be substituted. Research to improve methods of imputing data that are missing from returns continues to be an ongoing process [1].

Quality of the basic data abstracted from the returns is subjected to a number of quality control steps including 100-percent key verification. The data are then subjected to many tests based on the structure of the tax law and the improbability of various data combinations. Records failing these tests are then subjected to further review and any necessary corrections are made. In addition, the Statistics of Income Division in the National Office conducts an independent reprocessing of a small subsample of statistically-processed returns as a further check.

Finally, before publication, all statistics are reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing and estimating.

TABULAR CONVENTIONS

Estimates of frequencies and money amounts that are considered unreliable due to the small sample size on which they are based are noted by an asterisk (*) to the left of the data item(s) in the tabulations. The presence of an asterisk indicates that the sample rate is less than 100 percent of the population and there are fewer than 10 sample observations available for estimation purposes.

A dash in place of a frequency or amount indicates that no sample return had that characteristic. In addition, a dash in place of a coefficient of variation for which there is an estimate indicates that all returns contributing to the estimate were selected at the 100-percent rate.

Whenever a weighed frequency in a data cell is less than 3, the estimate is either combined with other cells or deleted in order to avoid disclosure of information about individual taxpayers or businesses [3]. These combinations and deletions are indicated by a double asterisk (**).

NOTES

[1] For an example of the recent SOI Division research, see Hinkins, S., "Matrix Sampling and the Effects of Using Hot Deck Imputation," in 1984 Proceedings: American Statistical Association, Section on Survey Research Methods p. 245. Other research efforts are included in Statistical Uses of Administrative Records: Recent Research and Present Prospects, Volume 1, pages 179-184, Internal Revenue Service, March 1984.

[2] Quality control activities for all SOI studies will be published in a series of forthcoming reports. These reports will provide detailed information relating to quality in all phases of SOI processing.

[3] In the case of geographic statistics, steps to avoid disclosure are taken when a weighted frequency is less than 10.

REFERENCES

For information about the samples used for specific SOI programs see:

Individual Income Tax Returns, 1983, Tables emphasizing returns filed, sources of income, exemptions, itemized deductions and tax computations (see especially page 3).

Statistics of Income--1982, Corporation Income Tax Returns (see especially pages 9-15).

Statistics of Income--1978-82, Partnership Returns (see especially pages 237-244).

Statistics of Income--1979-83, Compendium of Studies of International Income and Taxes, Foreign Income and Taxes Reported on U.S. Tax Returns (see information about the samples used at the end of each chapter)

Statistics of Income Bulletin (see each issue).

Form **6839** (Rev. 7-86)
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   ☐ Partnership Returns, 1984
   ☐ Demographic Characteristics of Taxpayers, 1983
   ☐ Controlled Foreign Corporations, 1982: An Industry Focus
   ☐ Windfall Profit Tax, Third Quarter 1985
   ☐ Selected Statistical Series, 1970-86

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   ☐ Income and tax data by state
   ☐ Individual average tax rates
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   ☐ Partnership returns
   ☐ Business returns
   ☐ Corporation industry statistics
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The SOI Bulletin provides the earliest published annual financial statistics from various types of tax and information returns filed with the Internal Revenue Service. It also includes information from periodic or special analytical studies of particular interest to tax administrators. In addition, historical data are provided for selected types of taxpayers, as well as the gross internal revenue collections and other tax related items.

Information on the availability of additional unpublished data concerning the topics in this issue may be obtained by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service,, Washington, DC 20224.

In addition, special Statistics of Income tabulations based on income tax returns can be produced upon request on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics of Income Division, at the address shown above.

Overall policy review of the SOI Bulletin was conducted by the Office of Tax Analysis, under the direction of Thomas Neubig. For this issue, those assisting in the review were Len Burman, Mordecai S. Feinberg, Marcia D.Field, Daniel Frisch, Jon Hakken, and Barbara Rollinson. Robert A. Wilson and Bettye Jamerson of the Statistics of Income Division were the technical editors and were assisted by Clementine Brittain who provided editorial assistance and did the copy preparation.

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— Individual Income Tax Returns, Preliminary Data, 1985
— Corporation Income Tax Returns, Preliminary Data, 1984
— Controlled Foreign Corporations by Country, 1982
— Private Activity Tax-Exempt Bonds, 1985
— Individual Income Tax Rates, 1984
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As part of the Statistics of Income program a series of new services is now being offered (see below). Detailed information on these statistical services can be obtained by writing to Director, Statistics of Income Division (D:R:S), Internal Revenue Service, 1111 Constitution Avenue, N.W., Washington, D.C. 20224. Purchase is by check made payable to the IRS Accounting Section.

Studies of International Income and Taxes, Publication 1267 – Price $45.00

Purchase price includes a 516-page document for 1979-83 that presents information from 13 Statistics of Income studies in the international area, including:

- Foreign activity of U.S. corporations
- Activity of foreign corporations in the U.S.
- Foreign interests in U.S. corporations
- Statistics related to individuals, trusts, and estates
- Data presented by-- geographical area or industrial activity, as well as other classifiers

Purchasers of this service also will be provided with additional information for one year as it becomes available. The one year period for receiving additional information can be extended at a cost of $35.00 per year. A long-term subscription ($150) includes the compendium and additional information as it becomes available through August 1990. (The next compendium is scheduled for release in September 1990.)

Individual Income Tax Returns, Publication 1304 — Price $30.00

Purchase price includes a 135-page document for 1984 presenting Statistics of Income data and tables on:

- Sources of Income
- Exemptions
- Itemized deductions
- Tax Computations
- Data presented by -- size of adjusted gross income, marital status

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Partnership Returns, Publication 369 — Price $22.00

Purchase price includes a 314-page document for 1978-82 presenting previously unpublished Statistics of Income data for 1980, 1981 and 1982, as well as data previously issued in other publications. Features include:

- Number of partnerships
- Limited partnerships
- Receipts
- Cost of sales and operations
- Deductions
- Net income
- Capital gains
- Data presented by -- industry size of total assets state number of partners

Purchasers of this service also will be provided with data for 1983 and 1984 as they become available and will also be notified of future statistical releases relating to partnership returns.

Other Services – Price dependent on the request

- Unpublished tabulations from SOI program are available. Includes detailed tables underlying those published in SOI Bulletin.
- Special tabulations produced to user specifications.
- Public use tape files, including the Individual Tax Model (1978-1984), among others. (Earlier files are available from the Machine-Readable Branch (NNSR) of the National Archives, Washington, DC 20408

BUSINESS SOURCE BOOKS

(Available from Statistics of Income Division)

In addition to the Corporation Source Book, two others are now being offered by the Statistics of Income Division (see below). Information can be obtained by writing to Director, Statistics of Income Division (D:R:S) at the address above. Purchase of Source Books should be made at time of request by check payable to the IRS Accounting Section.

Corporation Source Book, 1983, Publication 1053 - Price $175.00

This is a 480-page document that presents detailed income statement, balance sheet, tax and investment credit items by major and minor industries and size of total assets. This report is part of an annual series and can be purchased for $175 (years prior to 1982 at $150). A magnetic tape containing the tabular statistics for 1983 can be purchased for $1,500.

Partnership Source Book, Publication 1289 – Price $30.00

This is a 291-page document showing key partnership data for 1957 through 1983, at the minor, major and division industry level. Includes a historical definition of terms section and a summary of legislative changes affecting partnerships during that period. Tables feature:

- Number of partnerships
- Number of partners
- Business receipts
- Depreciation
- Taxes paid deductions
- Interest paid
- Payroll
- Payments to partners
- Net income

Purchasers of this service also will be advised of the release of subsequent years' data. A magnetic tape containing the tabular statistics can be purchased for an additional $200.

Sole Proprietorship Source Book – In preparation

This Source Book is a companion to that for partnerships, shown above. It is expected to be available later in 1986. Included will be data on:

- Number of businesses
- Business receipts
- Interest paid
- Depreciation
- Taxes paid deductions
- Payroll
- Net income

As with Partnerships, a magnetic tape will also be available.

OTHER PUBLICATIONS

(Available from Superintendent of Documents GPO, Washington, D.C. 20402)

The Statistics of Income (SOI) Bulletin (Quarterly), Publication 1136

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The SOI Bulletin provides the earliest published financial statistics from the various types of tax and information returns filed with the Internal Revenue Service. The Bulletin also includes information from periodic or special analytical studies of particular interest to tax administrators and economists.

Statistics of Income – 1983, Corporation Income Tax Returns, Publication 16

Presents information on --

- Receipts
- Deductions
- Net income
- Taxable income
- Income tax
- Tax credits
- Distributions to stockholders
- Assets
- Liabilities

Data classified by--

- industry
- accounting period
- size of total assets
- size of business receipts

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Corporate Foreign Tax Credit, 1982: A Geographic Focus 21
By Chris R. Carson
For 1982, U.S. corporations claiming a foreign tax credit received more income from the United Kingdom ($10.2 billion) than any other country. Also, interest replaced dividends as the most common type of foreign-source income received from other than foreign branches. Large multinational corporations, once again, dominated the foreign income and tax statistics.

Interest Income and Deductions on Individual Income Tax Returns, 1968-1984 49
By Paul E. Grayson
Between 1968 and 1984, average interest income and deductions reported by individuals were subject to significant year-to-year fluctuations. Overall though, the number of individual income tax returns with interest income increased from 42 percent to 62 percent and average interest income grew at double the rate of increase in adjusted gross income. The interest deduction also increased, by 17 percent, and surpassed taxes as the largest itemized deduction.

Foreign Recipients of U.S. Income, and Taxes Withheld, 1984 61
By Margaret P. Lewis
U.S.-source income paid to foreign individuals and organizations rose by 57 percent to a record $17.1 billion. U.S. tax withheld on this income rose to almost $1.0 billion, an increase of only 39 percent. This was because two-thirds of the additional income was exempt from withholding.

Projections of Returns to be filed in Fiscal Years 1987-1994 79
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For Fiscal Year 1987, the number of primary tax returns and supplemental documents processed by the Internal Revenue Service is projected at 191.8 million. This represents a 2.5 percent increase over 1986.

Crude Oil Windfall Profit Tax, 1985 85
By Edward Chung
From 1980 through 1985, the total windfall tax reported amounted to $77.8 billion. Of the total, 1981 accounted for the largest proportion (33 percent) and 1985 the smallest (7 percent). The decline from 1981 to 1985 was 78 percent and reflected the decline in taxed domestic oil production.

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Corrections to Summer 1986 Issue

Individual Income Tax Returns for 1985: Selected Characteristics from the Taxpayer Usage Study

The following table is a substitute for the Table 15 previously published in the above issue (page 19).

Table 15.--Form 1040 Returns: Number With and Without Itemized Deductions, by Size of Adjusted Gross Income

[All figures are estimates based on samples--numbers of returns are in thousands and amounts are in millions]

Number by size of itemized deductions	Total	Number of returns by size of adjusted gross income							
		Under $5,000 1/	$5,000 under $10,000	$10,000 under $15,000	$15,000 under $20,000	$20,000 under $30,000	$30,000 under $50,000	$50,000 under $100,000	$100,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Form 1040 returns, total....	60,677	5,490	6,476	6,732	6,776	12,204	15,731	6,271	997
With itemized deductions:									
Number of returns.....	36,017	493	1,261	2,286	3,137	8,365	13,573	5,930	973
Amount.....	227,203	4,203	3,786	6,929	10,505	30,689	76,606	65,031	29,454
Number of returns by size of itemized deductions:									
$1 under $500.....	1,708	*46	224	270	261	538	325	*38	*5
$500 under $1,000.....	2,291	*50	178	329	376	777	514	*62	*5
$1,000 under $1,500.....	2,480	*45	130	267	347	878	702	111	-
$1,500 under $2,000.....	2,403	*26	159	195	322	822	809	70	-
$2,000 under $3,500.....	6,340	99	242	567	801	1,992	2,261	372	*5
$3,500 under $5,000.....	5,150	79	120	264	444	1,275	2,422	547	-
$5,000 under $7,500.....	6,304	*50	111	210	328	1,287	3,180	1,083	*54
$7,500 under $10,000.....	3,401	*40	*36	111	104	463	1,634	990	*24
$10,000 under $15,000.....	3,211	*30	*30	*53	87	216	1,328	1,277	190
$15,000 under $25,000.....	1,859	*16	*32	*15	*60	109	347	1,036	245
$25,000 under $50,000.....	731	*8	-	*4	*6	*9	*46	326	331
$50,000 or more.....	140	*5	-	-	-	-	*4	*18	113
Without itemized deductions.....	24,660	4,997	5,215	4,446	3,639	3,839	2,158	341	*24

*Estimate should be used with caution because of the small number of sample returns on which it is based.

1/ Includes returns with no adjusted gross income.

NOTE: Detail may not add to total because of rounding.

Statistics of Income Studies of International Income and Taxes

By Daniel F. Skelly and James R. Hobbs*

The Statistics of Income Division of the Internal Revenue Service regularly conducts studies of international income and taxes. Historically, the main users of these studies have been the Office of Tax Analysis in the Office of the Secretary of the Treasury, and the Congressional Joint Committee on Taxation. Increasingly, however, interest in this area has been evidenced by other government agencies, universities, trade associations, corporate tax departments and private citizens. To meet the growing demand, the Statistics of Income Division recently initiated a new statistical service that will routinely provide data from the sixteen studies now being conducted in the international area. The main purpose of this article is to discuss the content and timing of each of these sixteen studies.

The Statistics of Income Division plans and conducts international studies in two broadly-defined areas. These areas are foreign investment and activity abroad by U.S. "persons" and, conversely, investment and activity in the United States by foreign "persons" [1,2]. Table 1 provides information on the cycling of the studies and shows population and sample estimates for each projected study. Specific descriptions of the studies in each area are provided below.

Foreign Investment and Activity Abroad by U.S. Persons. -- This area includes the following studies: Corporation Foreign Tax Credit, Foreign Corporation Information Returns, Domestic International Sales Corporations, Interest Charge Domestic International Sales Corporations, Foreign Sales Corporations, U.S. Possessions Corporations, International Boycott Participation, Individual Foreign Tax Credit, Individual Income Earned Abroad, Excluded Income from U.S. Possessions, and Foreign Trusts. (Seven of these studies either have been, or will be, used for Treasury Department reports to Congress that are mandated by law [3].)

Investment and Activity in the United States by Foreign Persons. -- This area includes the following studies: Foreign Corporations with Income Derived from U.S. Sources, U.S. Corporations with 50 Percent or More Ownership by a Foreign Entity, Nonresident Alien Income and Tax Withheld, Nonresident Alien Estates, and Sales of U.S. Real Property Interests by Foreign Persons.

FOREIGN INVESTMENT AND ACTIVITY ABROAD BY U.S. PERSONS

This broad area consists of eleven studies. It includes the foreign activities of U.S. corporations, as well as the activities of foreign corporations controlled by U.S. corporations. For purposes of this article, U.S. corporations deriving most of their income from U.S. possessions are also included in this grouping. Other studies cover both domestic and foreign corporations that were created under legislation aimed at increasing U.S. exports. Finally, certain studies in this group focus on the foreign activities of all U.S. persons (corporations, individuals, etc.).

International operations of U.S. corporations have grown to the point that overseas income contributes substantially to U.S. corporate worldwide income; indeed, foreign investments now account for a sizable portion of total investment by U.S. corporations. According to Department of Commerce data, foreign direct investment by U.S. firms during the period of 1977 to 1983 increased 55 percent (from $146.0 billion to $226.1 billion, as measured in current dollars) [4].

Corporation Foreign Tax Credit

The general philosophy of the foreign tax credit, despite its numerous changes over time, has remained basically the same. Domestic corporations are subject to U.S. tax on their worldwide income. When part of that income is earned in foreign countries, the income may also be subject to tax in that country. In order to prevent double taxation of the same income, U.S. law permits corporations to claim a credit, thereby reducing their U.S. income tax for the taxes paid to the foreign country [5]. In effect, the corporation pays tax at

*Chiefs, Foreign Statistics Branch and Foreign Returns Analysis Section, respectively.

the higher of the U.S. tax rate or the overall foreign country tax rate on its foreign-source income.

The corporation foreign tax credit statistics are designed to show the effects of specific provisions of the Internal Revenue Code on the income and taxes of corporations. The statistics show the country of origin of the foreign income and taxes which generate the credit. Also shown is the industry of the corporation claiming the credit. In general, the data are classified not only by country, industry, and type of foreign income, but also by size of total assets of the domestic corporation, and by ratios of foreign source taxable income to U.S. taxable income, total foreign taxes to taxable foreign income, and U.S. income tax to worldwide taxable income. The most detailed statistics currently available are for Tax Year 1982. These data are summarized in Figure A. Less detailed information is also available for the period 1925-83 (see Figure C).

One indicator showing the activity of American corporations in foreign markets is the amount of "foreign source taxable income" reported by corporations claiming a foreign tax credit on their tax returns. This foreign taxable income primarily consists of profits earned by their "branches" in foreign countries, and dividends distributed to U.S. corporations by their subsidiary foreign corporations. It also includes other income received from foreign sources such as rentals, royalties, interest, and compensation for services performed.

The foreign source taxable income of corporations with foreign tax credits rose from $3.6 billion in 1961 to $59.5 billion in 1982. During the same period, the total worldwide taxable income (which is the basis for computing U.S. tax liability) reported by these corporations also increased, from $22.9 billion to $107.2 billion.

Using the amount of taxable income reported by domestic corporations that claimed a foreign tax credit, a percentage of the portion that foreign source taxable income contributed to the total taxable income can be derived [6]. That percentage is plotted for certain years in Figure B. It reveals that the percentage increased from 15.7 percent for 1961 to 55.5 percent for 1982, indicating the overall growing importance of the foreign activity of domestic corporations.

Figure C shows the growth of the foreign tax credit claimed by corporations during the past 58 years. The early eighties, unlike the sixties and seventies, began with a decline in the amount of foreign tax credit claimed. The decline for 1980 through 1982 in the credit resulted, in part, from the foreign nationalization of certain oil interests in the Middle East. This nationalization resulted in the deduction of substantial foreign income taxes in lieu of the crediting of these taxes because use of the tax credit for certain new foreign taxes was not allowed. In addition, the climate of nationalization generally brought with it a diminished role of U.S. corporations in the oil-related activities of Middle East countries. When coupled with

Figure A.--Corporation Returns with Foreign Tax Credit and Supporting Forms 1118 Credit Computation Schedule, by Size of Total Assets, 1982

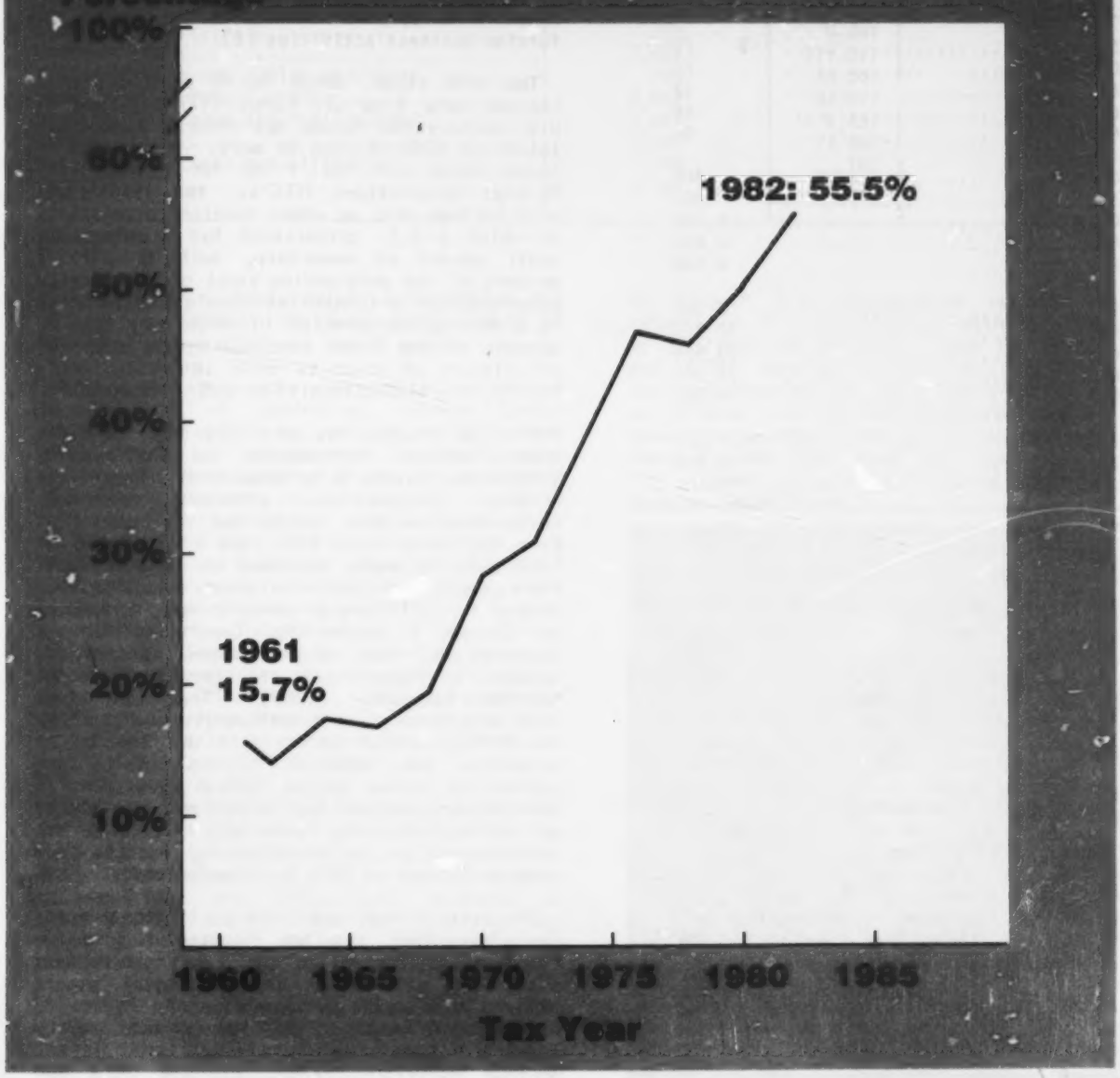
[All figures are estimates based on samples--money amounts are in millions of dollars]

Size of total assets	Number of returns	Income subject to U.S. tax		Foreign taxes paid 2/	U.S. income tax before credits	Foreign tax credit claimed
		Total	Foreign source taxable income 1/			
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	4,931	$107,140	$59,482	$22,795	$48,642	$18,932
Zero under $250,000,000	4,190	8,998	2,423	798	4,023	720
$250,000,000 under $1,000,000,000 .	329	11,772	3,480	1,119	5,366	1,054
$1,000,000,000 or more	412	86,371	53,579	20,879	39,253	17,158

1/ Represents foreign source taxable income before loss recapture.
2/ Represents foreign taxes paid or accrued and deemed paid.
NOTE: Detail may not add to total because of rounding.

Figure B.

Corporation Returns with Foreign Tax Credits: Foreign Source Taxable Income as a Percentage of Worldwide Taxable Income, 1961-1982



generally lower corporate profits in the early eighties, which produced generally lower U.S. income taxes against which to apply foreign tax credits, the resulting total foreign tax credit claimed fell to less than $20 billion for both 1982 and 1983.

Figure C.--Growth of the Corporation Foreign Tax Credit, 1925-1983

[For most years, figures are estimates based on samples--money amounts are in millions of dollars]

Tax year	Foreign tax credit claimed
1925	$ 20
1930	29
1935	32
1940	58
1945	96
1950	464
1955	959
1960	1,224
1965	2,616
1970	4,549
1972	6,315
1974	20,753
1976	23,579
1978	26,357
1980	24,880
1981	21,829
1982	18,932
1983	19,951

NOTE: Year-to-year comparability is affected by changes in the law.

The foreign tax credit studies are conducted for even tax years, based on returns included in the same samples used for the Statistics of Income (SOI) corporate program. For Tax Years 1984, 1988, and 1990, foreign tax credit data will be compiled only by country from Forms 1118 (the foreign tax credit computation schedule) included with returns filed by "giant" corporations [7]. (These so-called "giants" reported total assets of $250 million or more for 1984. The defining limitation will be raised to $1 billion for giant corporations for 1988 and 1990.) In addition, for these years, summary totals (i.e., without country detail) for "non-giant" corporations will be compiled for all of the returns in the SOI corporate sample with foreign tax credits. For Tax Years 1986 and 1992, foreign tax credit data will be compiled by country for every corporation in the SOI corporate sample with a foreign tax credit. Data on the expected sample and population sizes for the foreign tax credit studies are shown in Table 1 of this article. As shown in that table, the 1984 sample will consist of approximately 2,400 corporation returns from an expected population of 4,900. These 2,400 returns are comprised of all "giant" returns (900) and a sample (1,500 out of 4,000) of all other corporation returns claiming a foreign tax credit.

Foreign Corporation Information Returns

Information Returns with Respect to Foreign Corporations (Forms 5471) are required to be attached to the income tax returns of U.S. persons, for each foreign corporation in which a person has an "interest." These foreign corporations are frequently established by domestic corporations in order to engage in foreign business activities [8].

The 1984 study, which is in progress, will include data from all Forms 5471 attached to U.S. corporation income tax returns with total assets of $250 million or more. While most of these forms will be filed for "Controlled" Foreign Corporations (CFC's), the 1984 study will include data on other foreign corporations in which a U.S. corporation had a relatively small amount of ownership, such as only 5 percent of the outstanding stock of the foreign corporation. A Controlled Foreign Corporation is a foreign corporation in which more than 50 percent of the total combined voting power of all classes of stock is owned (directly, indirectly, or constructively) by U.S. shareholders.

Previous studies included only data for CFC's that reported information on Form 2952, Information Return With Respect to a Controlled Foreign Corporation, attached to U.S. corporation returns. With the replacement of Form 2952 with Form 5471, the content of the 1984 study is being expanded to include detail for complete income statements and balance sheets for all foreign corporations, a summary of Subpart F income for Controlled Foreign Corporations, and undistributed income and taxable dividends paid by Foreign Personal Holding Companies [9,10]. The data from similar studies have traditionally been used by the Office of the Secretary of the Treasury to determine the location of investments and sources of income abroad through investment in foreign corporations and to estimate the impact of various U.S. tax proposals regarding the deferral of tax on earnings and profits from investments abroad by U.S. corporations.

The most current available statistics are for Tax Year 1982 and are limited to foreign corporations controlled by U.S. corporations with $250 million or more in total assets [11]. These data are summarized in Figure D, which shows that CFC's were predominantly engaged in manufacturing, trade, financial, and service activities. Manufacturing CFC's led all other industries in both numbers and

Figure D.--Returns of U.S. Corporations with Total Assets of $250 Million or More: Number of Controlled Foreign Corporations (CFC's) and CFC Total Assets and Earnings and Profits, by CFC Industrial Division, 1982

[Money amounts are in millions of dollars]

CFC industrial division	Number of Controlled Foreign Corporations	Total assets	Current earnings and profits (less deficit) before taxes
	(1)	(2)	(3)
All industries, total	26,993	$557,209	$36,696
Agriculture, forestry and fishing	174	702	10
Mining	792	26,356	4,764
Construction	358	5,891	636
Manufacturing	7,682	215,671	18,602
Transportation and public utilities	730	20,506	529
Wholesale and retail trade	4,861	83,027	3,791
Finance, insurance and real estate	3,667	179,497	6,249
Services	2,655	21,903	2,110
Nature of business not allocable	288	187	6
Inactive	5,786	3,470	-

assets; however, their relative importance has declined because of the more rapid growth of financial corporations in recent years.

Figure E shows the geographic locale of incorporation of Controlled Foreign Corporations. It should be pointed out that some corporations are incorporated in one country while conducting business in one or more other countries; however, the statistics indicate that over 90 percent of them conduct their business in the same country in which they were organized. The countries shown in Figure E represent the most prevalent countries where domestic corporations establish foreign operations via incorporation. The United Kingdom and Canada are the favorite locations of American companies in terms of CFC incorporations. Collectively, these companies accounted for more than one-fourth of the total number and nearly one-third of the total assets of all CFC's in the 1982 study.

Figure F presents selected historical information on the entire population of foreign corporations controlled by U.S. corporations. While the number of CFC's nearly tripled between 1962 and 1980, their activity as measured by assets, and by receipts and earnings in current dollars, increased at an even faster rate.

Future Foreign Corporation Information Returns studies will be conducted for even tax years. The studies for Tax Years 1984, 1988, and 1990 will be limited to those foreign corporations for which information is included in "giant" U.S. corporation returns (i.e., returns of U.S. corporations with total assets of $250 million or more). For Tax Years 1986 and 1992, foreign corporation data will be included from all returns ("non-giants" as well as "giants") in the SOI corporate sample. As shown in the sample and population estimates in Table 1, the 1984 study will encompass 1,100 U.S. parent corporation returns with 32,000 foreign corporations.

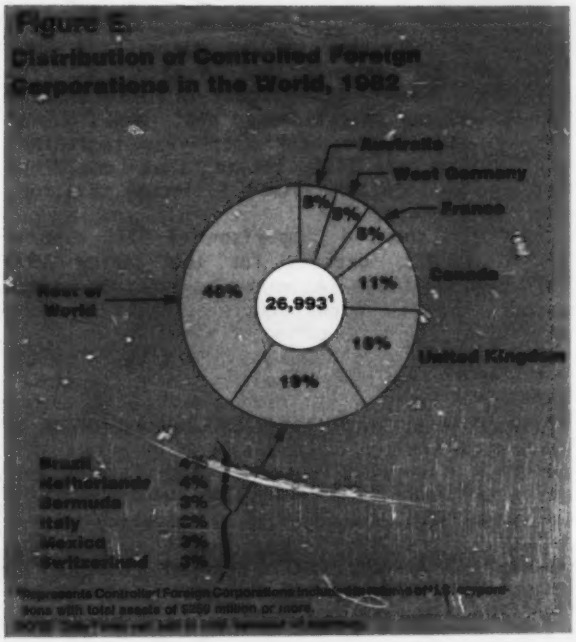


Figure F.--Growth of Controlled Foreign Corporations, 1962-1980

[All figures are estimates based on samples--money amounts are in millions of dollars]

Tax year	Number of Controlled Foreign Corporations	Total assets	Business receipts	Current earnings and profits (less losses) before taxes
	(1)	(2)	(3)	(4)
1962	12,073	$ 46,102 1/	$ 49,859	$ 4,181
1972	29,221	167,830	172,407	16,943
1980	35,471	508,032	699,003	47,622

1/ Estimated.
NOTE: Data for all Controlled Foreign Corporations are not available for 1982.

Domestic International Sales Corporations

The Domestic International Sales Corporation (DISC) was a special type of corporation established by the Revenue Act of 1971. The purpose of this legislation was to provide a system of tax deferral and thereby stimulate U.S. exports. The profits of a DISC were not taxed to the DISC itself, but instead were taxed to the stockholders when distributed or deemed distributed. Stockholders of DISC's (typically other U.S. corporations) were deemed to receive annually a portion of the DISC's earnings and profits. U.S. income taxation was deferred indefinitely, for the most part, on the remainder of the DISC's earnings and profits.

The number of DISC returns, DISC taxable income, and amounts deemed distributed from 1972 to 1983 are presented in Figure G. The difference between the amount of DISC taxable income and the amount deemed distributed out of that taxable income for each year represents the amount of DISC income that could be deferred indefinitely from U.S. income taxation.

Figure H shows a comparison of DISC exports to total U.S. exports for the period 1973 through 1983 [12]. As might be expected, total exports and DISC exports have moved in the same direction over this period of time.

The DISC tax provisions were a point of contention between the United States and other signatory countries of the General Agreement on Tariffs and Trade. The Deficit Reduction Act of 1984, therefore, ended corporations operating and filing tax returns as Domestic International Sales Corporations. It closed every

Figure G.--Number of DISC Returns, DISC Taxable Income, and Amounts Deemed Distributed, 1972-1983 1/

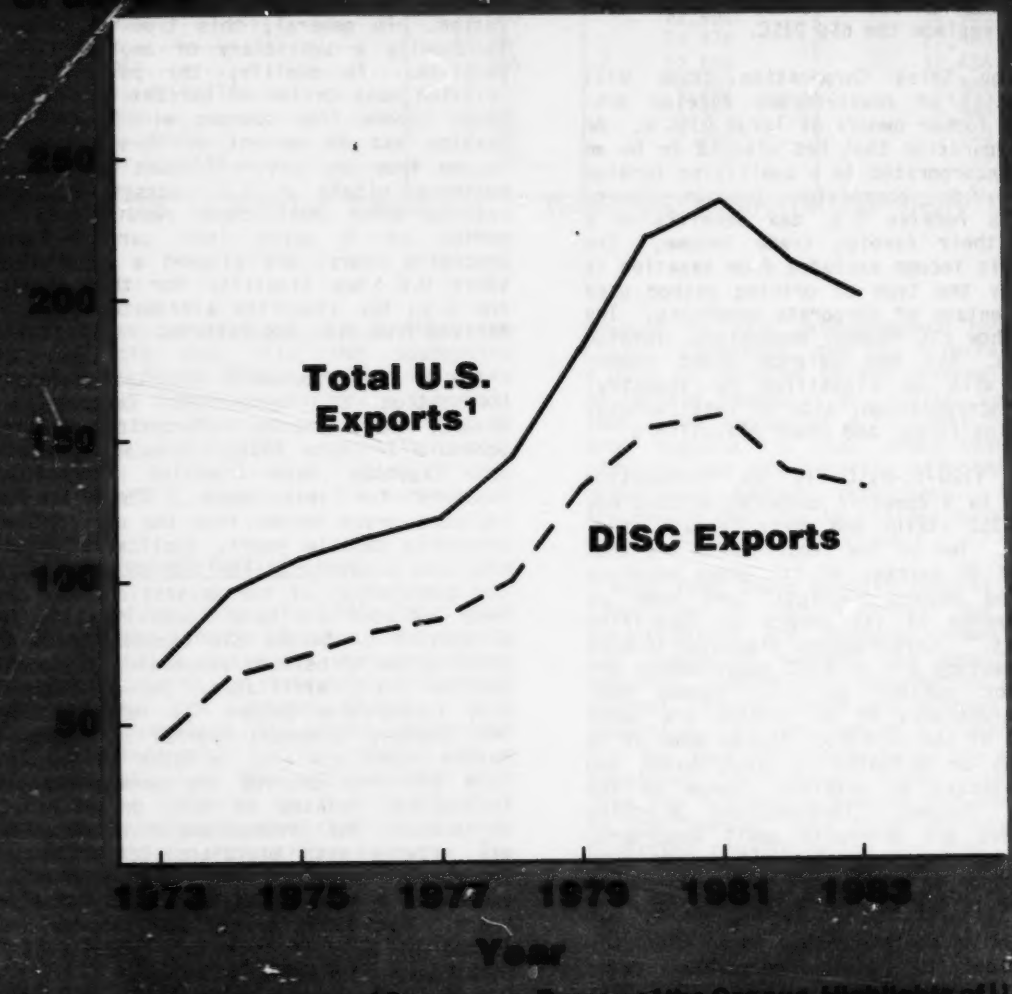
[All figures are estimates based on samples--money amounts are in millions of dollars]

Tax year	Number of returns	DISC taxable income	Amount deemed distributed 2/
	(1)	(2)	(3)
1972 1/..	2,826	$ 1,566	$ 776
1973.....	4,162	3,149	1,579
1974.....	5,498	4,783	2,416
1975.....	6,431	4,772	2,420
1976.....	6,911	5,071	3,499
1977.....	6,665	5,234	3,715
1978.....	7,208	6,427	4,360
1979.....	7,933	8,461	5,397
1980.....	8,665	9,875	6,270
1981.....	9,408	10,952	7,187
1982.....	9,663	10,156	7,080
1983.....	9,898	10,082	7,692

1/ Tax year refers to accounting periods ended between July of one year and June of the following year. However, for 1972, the effective date of the legislation was January 1, 1972; therefore, they include only part-year accounting periods for some corporations.
2/ Estimates include small amounts of distributions considered received by stockholders from prior years' DISC taxable income.
NOTE: DISC means Domestic International Sales Corporation.

Figure H.

DISC Exports vs Total U.S. Exports, 1972-1983



[1]Source: U.S. Department of Commerce, Bureau of the Census, Highlights of U.S. Export and Import Trade, FT990, monthly.
NOTE: DISC means Domestic International Sales Corporation.

DISC tax year by December 31, 1984. As a result, the series of studies of DISC returns conducted by the SOI Division since 1972 culminates with DISC returns for accounting periods ending during the 6-month period, July 1984 through December 1984.

Interest Charge Domestic International Sales Corporations and Foreign Sales Corporations

While the Deficit Reduction Act of 1984 terminated the existence of Domestic International Sales Corporations after 1984, it allowed for two new tax entities, the Foreign Sales Corporation (FSC) and the Interest Charge Domestic International Sales Corporation (IC-DISC) to replace the old DISC.

The Foreign Sales Corporation study will largely consist of newly-formed foreign subsidiaries of former owners of large DISC's. An FSC is a corporation that has elected to be an FSC and is incorporated in a qualifying foreign country or U.S. possession (except Puerto Rico). FSC's receive U.S. tax benefits on a portion of their foreign trade income. The amount of this income excluded from taxation is determined by the type of pricing method used and the percentage of corporate ownership. The study will show FSC income, deductions, foreign trade income, tax and balance sheet items. These data will be classified by industry, country of incorporation, size of total assets, type of pricing rules, and other classifiers.

The Form 1120-IC-DISC is an information return filed by a domestic corporation that has elected IC-DISC status and meets certain other requirements. Two of the requirements are that a minimum of 95 percent of its gross receipts be "qualified export receipts" and that at least 95 percent of its assets be "qualified export assets." Corporations electing IC-DISC status and meeting all IC-DISC requirements are generally not subject to U.S. income tax. However, shareholders of an IC-DISC are taxed on a portion of the IC-DISC's income when it is deemed to be or actually is distributed and they are assessed an interest charge on the tax-deferred income. Corporations electing IC-DISC status are generally small exporters, as the tax law requires that all income from export receipts in excess of $10 million be fully taxable to the IC-DISC shareholder(s).

In addition to basic corporate data, additional data unique to the Form 1120-IC-DISC will also be compiled. Such data will include the amount and nature of export gross receipts and the amount of tax-deferred IC-DISC income. These data will be classified by industry of the IC-DISC, product or service of the IC-DISC, size of corporate shareholder assets, type of pricing rules, and other classifiers.

The IC-DISC and FSC statistics are new for 1985 and will be compiled annually. The FSC population is currently estimated at 4,000 with a sample of 1,700. The corresponding population and sample estimates for IC-DISC's are 2,500 and 600, respectively. (See Table 1.) The FSC and IC-DISC samples are included in the complete sample of returns for each corporate program.

U.S. Possessions Corporations

A U.S. possessions corporation is a domestic corporation that elects to be treated as a possessions corporation by filing a Form 5712, Election to be Treated as a Possession Corporation. In general, this type of corporation is usually a subsidiary of another U.S. corporation. To qualify, the possessions corporation must derive 80 percent or more of its gross income from sources within a U.S. possession and 65 percent or more of its gross income from the active conduct of a trade or business within a U.S. possession. Corporations which meet these requirements for a period of 3 years (the current- and 2-preceding years) are allowed a credit against their U.S. tax liability for that portion of the U.S. tax liability attributable to income derived from U.S. possessions.

All of the information reported on Form 5735, Computation of Possessions Corporation Tax Credit, and selected information reported on Schedule P (Form 5735), Allocation of Income and Expenses Under Section 936(h)(5), is captured for this study. This information includes gross income from the current- and 2-preceding taxable years, applicable deductions and loss adjustments for the current year, and the computation of the possessions tax credit. Also included are data items relating to the allocation of income and expenses from intangible property between possessions corporations and their U.S. affiliates. Selected Form 1120, U.S. Corporation Income Tax Return, and Form 940, Employer's Annual Federal Unemployment Tax Return, data are also included in this study. Form 940 data provide employment and payroll information related to U.S. possessions corporations. The possessions study is based on all returns with elections for treatment as possessions corporations. This study is conducted on a biennial basis for odd-numbered tax years. For 1985, nearly 700 returns are expected to be filed for U.S. possessions corporations.

The most recent data obtained by the Statistics of Income Division are for Tax Year 1982 and are summarized in Figure I. There were 544 returns for 1982 which claimed over $2 billion of U.S. possessions tax credit (compared to 384 returns for 1976, the first year of the credit, with $700 million of credit). The 15 return difference in Figure I

Figure I.--Selected Financial Data for Returns with a U.S. Possessions Corporation Tax Credit, 1982

[Money amounts are in millions of dollars]

Item	All returns with a credit	Possessions corporations with Form 5735 attached	
		Total	With operations in Puerto Rico
	(1)	(2)	(3)
Number of returns	544	529	522
Total assets	$18,790	$18,014	$17,997
Retained earnings	13,666	12,995	12,986
Total receipts	14,067	13,478	13,458
Business receipts	13,045	12,504	12,486
Net income (less deficit)	4,610	4,387	4,384
Total income tax	2,092	1,990	1,988
Possessions tax credit	2,056	1,954	1,953
Income tax after credits	35	35	35

NOTE: Form 5735 is entitled "Computation of Possessions Corporation Tax Credit Allowed Under Section 936."

represents those corporations that claimed the credit but did not file the supporting information on Forms 5735. Puerto Rico has been the primary beneficiary of the possessions corporation system of taxation. More than 98 percent of U.S. possessions corporations conducted business in Puerto Rico, which is considered to be a U.S. possession for purposes of the credit.

International Boycott Participation

The Tax Reform Act of 1976 instituted provisions of the Internal Revenue Code denying certain benefits to taxpayers who participate in, or cooperate with, an international boycott unsanctioned by the United States. U.S. taxpayers are required to report operations (direct and indirect) in or related to a boycotting country, or that are conducted with a government, a company, or a national of a country, that requests participation in, or cooperation with, an unsanctioned boycott. The term "operations" encompasses all forms of business and commercial transactions.

The affected tax benefits include the foreign tax credit, deferral of taxation of foreign subsidiaries, and deferral of taxation on earnings of a Domestic International Sales Corporation (DISC), each of which can be denied under the 1976 Act. The Deficit Reduction Act of 1984 provided that certain tax benefits to be afforded to Interest Charge Domestic International Sales Corporations and Foreign Sales Corporations (previously mentioned as DISC replacements beginning with 1985), also be subject to the international boycott provisions. Therefore, the tax deferral benefit of a DISC is replaced by the deferral of taxation on certain income of an IC-DISC, beginning with 1985. The income of a FSC that can be exempt from taxation is also added (beginning with 1985) to the tax benefits affected by the international boycott provisions. (The foreign tax credit that can be claimed by a FSC is also subject to these provisions.)

Data from those boycott reports indicating a reduction of tax benefits due to boycott participation are produced annually, showing the number of reports and amount of reduced benefits. Additional information based on all boycott reports, with and without tax benefit reductions, is compiled on a 4-year cycle, with the Tax Year 1982 study being the most recently completed "full-scale" study. Tabulated data from the full-scale studies include information on the "person" that filed the boycott report, countries requesting the boycotts, countries in which boycotts are directed, the number and type of requests and agreements to participate in or cooperate with boycotts, and the computations of the reductions in tax benefits.

As shown in Figure J, a loss of tax benefits is reported on only a small portion of the total boycott reports filed. For 1982 and 1983, fewer than 100 reports out of 2,800 received each year included data on the loss of tax benefits resulting from agreements to boycott requests. (U.S. taxpayers do not agree to participate in, or cooperate with, all boycott requests made of them.)

Figure J.--Number of Boycott Reports, Requests, Agreements, and Tax Effects of International Boycott Participation, 1982 and 1983

[Money amounts are in thousands of dollars]

Item	1982	1983
ALL PERSONS		
Number of boycott reports....	2,822	2,789
Number of requests received..	16,824	n.a.
Number of agreements.....	5,809	n.a.
Number of returns indicating a negative tax effect.....	87	76
Reduction in foreign taxes eligible for a foreign tax credit 1/...	$2,001	$1,928
Reduction of foreign tax credit 2/.....	1,343	1,301
Subpart F boycott income.	4,073	6,047
DISC boycott income.....	1,093	1,030
CORPORATIONS (INCLUDING DISC'S)		
Number of boycott reports....	2,583	2,550
Number of requests received..	15,072	n.a.
Number of agreements.....	5,189	n.a.
Number of returns indicating a negative tax effect.....	87	76
Reduction in foreign taxes eligible for a foreign tax credit 1/...	$2,001	$1,928
Reduction of foreign tax credit 2/.....	1,343	1,301
Subpart F boycott income.	4,073	6,047
DISC boycott income.....	1,093	1,030
NUMBER OF BOYCOTT REPORTS FOR OTHER TYPES OF PERSONS		
Individuals.....	118	126
Partnerships.....	95	93
Trusts and others.....	26	19

n.a. - not available

1/ Represents the reduction in foreign taxes eligible for a foreign tax credit computed under the "specifically attributable taxes and income" method.

2/ Represents the reduction in foreign tax credit computed using the "international boycott factor" method.

NOTE: DISC means Domestic International Sales Corporation.

Individual Foreign Tax Credit

The United States imposes its income tax on the worldwide income of individual citizens and residents without regard to the geographic source of that income. U.S. individual taxpayers, who also pay or accrue foreign taxes on their foreign source income, are eligible to use those taxes to claim a tax credit (or an itemized deduction) on their U.S. income tax returns. As in the case of corporations, the credit is generally more advantageous to the individual than a deduction because it results in a dollar-for-dollar reduction of U.S. tax liability. The credit is claimed on Form 1116, Computation of Foreign Tax Credit - Individual, attached to Form 1040, U.S. Individual Income Tax Return.

Figure K compares the number of returns and amount of foreign tax credit claimed for each year of the 13 years, 1972-1984. It also indicates that for the few years just prior to enactment of the Economic Recovery Tax Act of 1981 (ERTA), the vast majority of the credit was claimed by individuals in the upper income classes (adjusted gross income, AGI, of $50,000 or more). However, ERTA lowered the maximum marginal tax rate from 70 percent to 50 percent and reduced the other marginal tax rates across-the-board by approximately 23 percent over a 3-year period (1982-1984). See the "Individual Income Earned Abroad" section of this article for an additional tax law change that resulted from ERTA. A consequence of the various provisions of ERTA was a decrease in the total amount of foreign tax credit claimed, in particular a sharp decrease in the amount claimed on those returns in the higher marginal tax brackets associated with an AGI of $50,000 or more.

The last detailed statistics on the foreign tax credit claimed by individuals, for Tax Year 1979, indicate that ten countries accounted for $823 million of the total $842 million of foreign tax credit claimed by individuals. The next detailed statistics are currently being compiled for Tax Year 1983. They will contain data for each type of foreign source income by the country to which foreign taxes were paid or accrued. The study is conducted once every 4 years.

Individual Income Earned Abroad

As previously stated, U.S. citizens are generally taxed on their worldwide income regardless of the geographic source of that income; however, qualifying citizens with earned income (i.e., salaries, wages, commissions, and fees) for personal services performed in a foreign country were accorded certain tax advantages.

The Economic Recovery Tax Act of 1981 simplified the foreign earned income provisions. For Tax Year 1982, qualifying taxpayers were allowed to exclude up to $75,000 in foreign earned income from their adjusted gross income. The maximum annual exclusion then

Figure K.--Foreign Tax Credit Claimed on Individual Income Tax Returns, 1972-1984

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Tax year	All returns		Returns with Adjusted Gross Income of $50,000 or more		
	Number	Foreign tax credit	Number	Foreign tax credit	Percent of total credit
	(1)	(2)	(3)	(4)	(5)
1972.....	202,440	$ 221,387	48,875	$ 137,312	62.0%
1973.....	223,127	255,286	48,861	135,265	53.0
1974.....	233,191	291,730	57,698	153,816	52.7
1975.....	231,078	345,928	60,043	168,926	48.8
1976.....	255,749	427,627	70,728	253,368	59.2
1977.....	240,874	451,033	70,529	248,766	55.2
1978.....	278,267	901,030	95,257	585,801	65.0
1979.....	287,508	842,176	107,778	627,128	74.5
1980.....	393,074	1,341,675	153,227	996,957	74.3
1981.....	387,680	1,233,564	169,887	1,019,780	82.7
1982.....	361,413	757,326	147,725	574,299	75.8
1983.....	373,360	617,749	147,453	488,432	79.1
1984.....	434,419	738,014	156,905	626,364	84.9

NOTE: Year-to-year comparability is affected by changes in the law.

increased by $5,000 per year until Tax Year 1986, when the maximum exclusion is $95,000. There is also an exclusion for "excess foreign housing costs." These exclusions are reported on Form 2555, Foreign Earned Income, attached to the Form 1040, U.S. Individual Income Tax Return.

The most recent study for which data are available is for Tax Year 1979. For this tax year, U.S. citizens with foreign earned income were allowed a deduction for excess foreign living expenses and an exclusion of income earned abroad while living in a hardship camp. (As previously explained, these tax benefits were replaced by the 1981 Act with a foreign earned income exclusion.) Figure L shows the number of Forms 2555 filed and total income earned abroad. This study is conducted on the same 4-year cycle as that for the Form 1116 (individual foreign tax credit) study. Statistics for Tax Year 1983 are currently being compiled.

Excluded Income from U.S. Possessions

A U.S. citizen who works as an employee or operates a business in certain U.S. possessions may qualify for an exclusion from gross income, as calculated for U.S. income tax purposes. The exclusion is for that income received from sources outside of the United States. When the exclusion is elected, that individual loses certain other tax benefits, such as the loss of dependent exemptions, a limitation on individual income tax deductions and denial of the foreign tax credit. For this reason, the income exclusion is not always advantageous to qualifying individuals. A study of this income exclusion was last done for 1983. Another study is planned for 1987 and every 4 years thereafter. The statistics will show worldwide and excluded income from U.S. possessions as shown on Forms 4563, Exclusion of Income from Sources in U.S. Possessions, and selected data from related Forms 1040, U.S. Individual Income Tax Returns and from the attached Forms W-2, Wage and Tax Statements.

For Tax Year 1983, there were 134 U.S. citizens who elected to exclude $3.3 million from their gross income for U.S. tax purposes. This excluded income was received from sources outside of the United States, with over 99 percent of it being derived from U.S. possessions. The individuals who qualified for the income exclusion either worked as employees or operated businesses in these possessions. Johnston Island was the principal location of economic activity for individuals electing the exclusion, accounting for 103 of the individuals and $2.4 million of the excluded income.

Foreign Trusts

Foreign trusts which have U.S. "persons" as grantors, transferors, or beneficiaries are subject to U.S. tax laws. For purposes of this study, U.S. persons include citizens and residents of the United States, domestic corporations and partnerships, and estates and trusts. Information filed with the Internal

Figure L.--Adjusted Gross Income, Tax, and Income Earned Abroad, by Size of Adjusted Gross Income, 1979

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	Number of Forms 2555	Adjusted gross income (less deficit)	Total U.S. income tax	Total income earned abroad
	(1)	(2)	(3)	(4)
All returns, total.....	119,430	$3,859,092	$516,996	$4,527,210
No adjusted gross income.....	6,009	-7,869	-	81,372
$1 under $5,000.....	14,434	34,417	149	155,446
$5,000 under $10,000.....	13,975	106,678	3,614	196,925
$10,000 under $20,000.....	21,050	307,464	21,700	437,140
$20,000 under $30,000.....	16,661	413,114	41,734	526,701
$30,000 under $50,000.....	23,317	906,967	120,099	1,033,059
$50,000 under $100,000.....	18,371	1,248,003	173,072	1,338,827
$100,000 under $200,000.....	4,941	641,019	106,248	609,159
$200,000 under $500,000.....	623	164,783	35,002	128,082
$500,000 or more.....	48	44,514	15,375	20,499
Taxable returns, total.....	80,721	3,364,590	516,996	3,651,818
Under $10,000.....	9,559	71,347	3,763	132,382
$10,000 under $20,000.....	14,820	220,465	21,700	305,675
$20,000 or more.....	56,342	3,072,779	491,533	3,213,762
Nontaxable returns, total...	38,709	494,501	-	875,392
Under $10,000.....	24,859	61,879	-	301,361
$10,000 under $20,000.....	6,230	87,000	-	131,464
$20,000 or more.....	7,620	345,622	-	442,565

NOTES: Form 2555 is entitled "Deduction from, or Exclusion of, Income Earned Abroad." Total income earned abroad is before the deduction for excess foreign living expenses and the exclusion of income earned abroad while living in a hardship area camp. Adjusted gross income (less deficit) is after the deduction, exclusion, and other adjustments to income. Detail may not add to total because of rounding.

Revenue Service on Forms 3520, Creation of, or Transfers to, Certain Foreign Trusts, and Forms 3520A, Annual Return of Foreign Trusts with U.S. Beneficiaries, is used for the statistics. This study, which is based on returns sampled at a 100-percent rate, was last conducted for 1982 and will be conducted on a 4-year cycle, i.e., again for Tax Years 1986 and 1990. There are between 350 and 400 Forms 3520 and an equal number of Forms 3520A in the population. Tabulations provide data showing the type of trust, type of person filing the return, country of residence of person filing, and country where trust was created. Also shown are the number and value of transfers, assets, income, and year when the trust was created.

As shown in Figure M, transfers by U.S. persons of $11.3 million in money and property were made to trusts located in foreign countries during 1982. There were 342 trusts reporting transfer activity. Most trusts were located in Canada (283) and were Registered Retirement Savings Plans (244). These Canadian retirement accounts were treated for Canadian income tax purposes in a manner similar to the Individual Retirement Arrangements used by U.S. taxpayers to defer taxation on current income set aside for retirement purposes.

Figure M.--Number of Trusts, With Total and Average Transfer Value, by Country Where Trust Was Created, 1980-1982

[Money amounts are in thousands of dollars]

Country where trust was created	1980			1981			1982		
	Number of trusts	Total transfer value	Average transfer value per trust	Number of trusts	Total transfer value	Average transfer value per trust	Number of trusts	Total transfer value	Average transfer value per trust
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total.....	331	$15,946	$ 48	357	$6,731	$ 19	342	$11,321	$ 33
Canada.....	260	5,955	23	315	1,715	5	283	1,253	4
Cayman Islands.	27	5,152	191	16	2,860	179	8	1,513	189
Bermuda.....	14	2,407	172	4	76	19	8	639	80
United Kingdom.	1/	1/	1/	-	-	-	9	65	7
The Bahamas....	1/	1/	1/	-	-	-	11	5,247	477
Channel Islands	6	74	5	11	963	88	6	421	70
Other countries	14	2,358	168	11	1,117	102	17	2,183	128

1/ Data were combined with "Other countries" to avoid disclosure of information about specific trusts.

INVESTMENT AND ACTIVITY IN THE UNITED STATES BY FOREIGN PERSONS

This broad area includes studies on foreign corporations with income derived from U.S. sources, domestic corporations with 50 percent or more ownership by a foreign entity, and nonresident alien income and tax withheld. Taken together, these studies show increases in the level of investment and activity in the United States. Two other studies are on nonresident alien estates and sales of U.S. real property interests by foreign persons.

Foreign Corporations with Income Derived From U.S. Sources

A foreign corporation is generally any corporation which is not "created or organized" in the United States or under the laws of the United States or any State. Foreign corporations that have income considered "effectively connected" with a U.S. trade or business or that receive income from U.S. investments must file U.S. income tax returns (i.e., Forms 1120F). SOI studies, which are done annually, cover only those returns which show income and deduction items "effectively connected" with U.S. trade or business activities. Some of these same returns, however, also contain amounts of investment income from U.S. sources. Foreign corporations are taxed on their "effectively connected" income in the same general manner as domestic corporations [13]. However, their U.S. investment income is generally taxed at a 30-percent rate unless a lower tax rate had been set by a tax treaty between the United States and the country in which the foreign corporation was incorporated.

Figure N presents selected data from Form 1120F returns filed for Tax Year 1983 compared to 1972 and 1977. Foreign corporations with "effectively connected" income from U.S. sources increased during the period. These corporations were primarily engaged in banking and real estate activities.

U.S. Corporations with 50 Percent or More Ownership by a Foreign Entity

In addition to foreign corporations with income from sources in the United States described above, there are domestic corporations whose voting stock is 50 percent or more directly or indirectly owned by at least one foreign entity, such as a corporation. These foreign-owned domestic corporations could result from stock acquisitions by foreign entities, be newly-formed subsidiary corporations, or result from joint ventures between two or more corporations, at least one of which is a foreign corporation (to mention a few of the possibilities). These corporations are taxed by the United States in a manner similar to that of other domestic corporations [14].

Figure N.--Active Foreign Corporations with U.S. Business Operations, 1972-1983

[All figures are estimates based on samples--money amounts are in millions of dollars]

Item	1972 (1)	1977 (2)	1983 (3)
Number of active foreign corporations with U.S. business operations, total	796	3,093	8,001
Total receipts	$3,567	$10,398	$20,794
Business receipts	2,490	7,157	5,477
Interest	886	2,454	13,567
Dividends received from domestic corporations	85	53	65
Total deductions	3,379	10,572	21,882
Cost of sales and operations	1,687	4,476	3,723
Taxes paid	57	219	272
Interest paid	584	2,501	13,460
Depreciation	37	257	449
Net income (less deficit)	161	-188	-1,118
Total income tax	77	124	469
Foreign tax credit	4	9	25

NOTE: Data exclude returns of foreign corporations whose only income was derived from U.S. investments (subject to U.S. withholding tax).

Figure O.--Domestic Corporations Indicating 50 Percent or More Ownership by a Foreign Entity, 1972 and 1983

[All figures are estimates based on samples--money amounts are in millions of dollars]

Item	1972	1983
Number of returns	6,198	33,622
Total assets	$46,868	$530,334
Total receipts	50,814	389,909
Business receipts	48,932	359,793
Interest received	752	17,590
Total deductions	49,496	387,981
Cost of sales and operations	37,613	271,373
Interest paid	1,071	22,255
Net income (less deficit)	1,295	1,849
Total income tax before credits	741	4,849
Foreign tax credit	28	671
Total income tax after credits	658	3,419
Distributions to stockholders except in own stock	568	4,327

Data for these corporations are compiled annually, generally by the industry of the domestic corporation and by the country of the foreign owner. The data include income statements, balance sheets, tax items, and distributions to stockholders.

Figure O shows for two years the number of domestic corporations that indicated they were 50 percent or more owned by a foreign entity, together with selected financial data for them. From 1972 to 1983, the number of these corporations rose from 6,198 to 33,622. Their assets similarly rose from $46.9 billion to $530.3 billion, and the receipts they generated increased from $50.8 billion to $389.9 billion. For 1983, these corporations accounted for 5.2 percent and 5.5 percent of total assets and receipts, respectively, for all corporation income tax returns.

Nonresident Alien Income and Tax Withheld

In general, U.S. individuals or organizations paying income to nonresident aliens are subject to a U.S. withholding tax. A nonresident alien is an individual who is neither a U.S. citizen nor a resident of the United States. However, the term also includes corporations, estates, and trusts that are created outside of the United States. The tax liability is withheld by the U.S. payor or by its representative, usually a financial institution. Forms 1042S, Income Subject to Withholding Under Chapter 3, Internal Revenue Code, are filed each year by domestic tax withholding agents. The Form 1042S provides information on the gross income paid to nonresident aliens and the tax withheld at the source on such income. The form also provides information on the type of income paid (e.g., dividend, interest, royalty, or personal services), applicable withholding rate, type of recipient (e.g., individual, corporation, or a nominee), and the recipient's country of legal residence.

U.S. payers are generally subject to a 30-percent withholding tax on dividends, interest, and certain other income paid to nonresident aliens. However, the withholding tax rate may be reduced (even to zero) if the country of the nonresident alien has an Income Tax Convention (tax treaty) with the United States [15].

Each annual study includes all Form 1042S returns filed with the Internal Revenue Service. Most payments go to individuals, although the size of the payments are substantially less than those made to corporations. As one might expect, dividends and interest represent the majority of income paid. Figure P shows gross income paid and tax withheld

Figure P.--Number of Forms 1042S, Tax Withheld, and Income Paid to Nonresident Aliens, by Selected Country of Recipient, 1984

[Money amounts are in thousands of dollars]

Selected country	Number of Forms 1042S	Tax withheld	Income paid			
			Total	Interest	Dividends	Rents and royalties
	(1)	(2)	(3)	(4)	(5)	(6)
All countries, total....	780,708	$969,553	$17,106,632	$10,035,675	$5,617,707	$899,426
United Kingdom.....	136,555	178,172	3,091,489	1,560,455	1,308,979	144,309
Netherlands Antilles.....	3,257	18,844	2,812,549	2,619,895	115,981	62,090
Netherlands.....	9,919	66,137	1,918,889	995,643	865,187	39,645
Canada.....	310,976	124,055	1,814,713	842,381	715,657	130,400
Switzerland.....	23,904	141,565	1,450,913	463,715	909,130	55,332
Japan.....	12,264	130,418	1,393,545	886,476	280,717	165,819
Germany.....	46,638	42,398	963,166	539,477	287,934	88,437
Belgium.....	12,264	16,896	826,995	746,165	53,115	14,242
France.....	18,565	60,396	819,180	251,052	430,028	116,488
Saudi Arabia.....	3,370	1,532	351,990	327,576	15,969	145

NOTE: Form 1042S is entitled "Income Subject to Withholding Under Chapter 3, Internal Revenue Code."

classified by country of recipient, for 1984. Starting with Tax Year 1985, Social Security Administration (SSA) and Railroad Retirement Board (RRB) payments made to nonresident aliens will be included in the statistics. The estimated number of additional Forms 1042S to be filed by SSA and RRB for 1985 was 240,000.

Nonresident Alien Estates

Forms 706NA, U.S. Nonresident Alien Estate Tax Returns, are filed for U.S. estates of decedents who at the time of death were neither residents nor citizens of the United States and for decedents who acquired U.S. citizenship solely in connection with a U.S. possession. The U.S. estates were valued above a certain limit, generally $60,000, in order to be taxable. Statistics were recently compiled for the 169 nonresident alien estate tax returns with 1982 year of death. These estates had $148 million of worldwide assets, of which 32 percent or $47 million were assets located in the United States. Nonresident aliens from 36 countries left estates with large amounts of U.S. property. The net U.S. estate tax payable on the U.S. property was nearly $4 million, or 8 percent of the value of the property.

The estimated population for the next study (for estates of 1986 decedents) is 225 returns. Tables will show data classified by country of residence at time of death and by size of the gross estate both in and outside the United States.

Sales of U.S. Real Property Interests by Foreign Persons

This new study will be conducted beginning with sales of U.S. real property interests in 1985 and will be continued annually thereafter. In general, a 10-percent withholding tax is imposed on the buyer or other transferee when a U.S. real property interest is acquired from a foreign person. This withholding is required under the Foreign Investment in Real Property Tax Act (FIRPTA). The Form 8288 is used to report and transmit the total amount withheld, while the Form 8288A is used to show the gain realized and tax withheld attributable to each foreign transferor of U.S. real property.

Each annual study is based on the population of Forms 8288 and 8288A filed. The estimated population for Form 8288 in 1985 is 3,050 and the estimated population for Form 8288A is 9,150. Data will be produced showing the total amount realized, total tax withheld, and the number of Forms 8288A filed, by the transferor's country of residence (and the tax treaty status of the country).

INTERNATIONAL STUDIES PRODUCTS

The Statistics of Income Division regularly produces articles for the quarterly Statistics of Income Bulletin that present statistics on topics in the international area. In the last year, articles have appeared on Nonresident

Alien Income and Tax Withheld, 1983; Corporate Foreign Tax Credit by Industry, 1982; and Controlled Foreign Corporations by Industry, 1982. Previously, articles also appeared on International Boycotts, 1976-1982; and Domestic International Sales Corporations, 1980. In the current issue, articles appear on Nonresident Alien Income and Tax Withheld, 1984; and Foreign Tax Credit by Country, 1982. Articles are now planned on Controlled Foreign Corporations by Country, 1982; U.S. Possessions Corporations, 1983; and Individual Foreign Income and Tax, 1983.

The first "compendium" on international studies was published by the Statistics of Income Division in September 1985. This compendium contains in one volume results from all of the recent studies conducted on international income and taxes. The majority of data presented are for Tax Years 1979 through 1983. The material selected for the compendium is comprised chiefly of articles and tables previously published in the Statistics of Income Bulletin and facsimiles of tax forms and instructions. Also included are research papers and previously unpublished articles and tables. This material is intended as a reference source for statisticians, economists and other researchers with interests and responsibilities in the international area; however, the articles are designed so that readers unfamiliar with these studies can also gain an understanding of them.

The international compendium represents only a sampling of the statistical information that might be of value to practitioners and researchers. Although public use microdata files are not now available, research efforts are underway to investigate whether they can be released in the future. This research will determine whether the microdata can be included in the files in such a way that the identity of individual taxpayers is protected. Unpublished or special tabulations from SOI studies, edited to protect taxpayer's confidentiality, are also available on a cost-reimbursable basis. Requests for these tabulations should be addressed to the Director, Statistics of Income Division, D:R:S, Internal Revenue Service, 1111 Constitution Ave., NW, Washington, DC 20224.

INTERNATIONAL INCOME AND TAXATION STATISTICAL SERVICE

The Statistics of Income Division has introduced a new statistical service relating to international income and taxes. This service was introduced in response to numerous requests for more detailed and previously unpublished information on our international studies.

Subscribers to this service will receive a copy of the report, Compendium of Studies of International Income and Taxes, 1979-1983 (Publication 1267), described above, and updated data (as it becomes available) on the studies mentioned in this article.

The price of the service is $45.00 for the first year. The one-year period for receiving additional information can be extended at a cost of $35.00 for each additional year. A long-term subscription ($150.00) includes Publication 1267 and additional information as it becomes available through August 1990. The next compendium is scheduled for release in September 1990.

FOOTNOTES

[1] These two areas are meant to be very broad in nature. Specific descriptions of each study are provided later in this article.

[2] The term "persons" includes individuals, corporations, trusts, estates, partnerships, and associations.

[3] The Congressionally-mandated reports are U.S. Possessions Corporations; International Boycott Participation Reports; Individual Foreign Tax Credit and Individual Income Earned Abroad (combined for one report); and Foreign Sales Corporations and Interest Charge Domestic International Sales Corporations (which will be combined for a report that will replace the existing reports on Domestic International Sales Corporations). These reports are prepared by the Office of Tax Analysis and issued by the Office of the Secretary of the Treasury.

[4] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, November 1984, Vol. 64, No. 11, pp. 24-27.

[5] U.S. corporations may deduct foreign taxes rather than claim a credit for them. However, corporations almost always benefit more by crediting the foreign taxes.

[6] An extensive description of total taxable income is available under the heading "Income Subject to Tax," in Statistics of Income -- 1982, Corporation Income Tax Returns, pp. 76-77.

[7] Returns of giant corporations are selected at a rate of 100 percent for the

corporate studies. These corporations account for the largest part of the totals included in the foreign tax credit studies. For instance, for 1982, giant corporations accounted for 96 percent of both foreign-source taxable income and foreign tax credit claimed by all corporations which had a foreign tax credit.

[8] Beginning with accounting periods starting in 1985, Forms 5471 will include the new Foreign Sales Corporations. See the separate discussion on these corporations in this article.

[9] Under Subpart F provisions of the Internal Revenue Service Code (section 952), the United States taxes U.S. shareholders of Controlled Foreign Corporations on certain types of income that, although undistributed to them, were deemed to have been distributed (and were thereby taxable, generally at the same rate(s) as dividends).

[10] A Foreign Personal Holding Company generally derives at least 60 percent of its gross income from interest, dividends, rents, royalties, annuities, gains from stock and commodity transactions, and personal service contracts. In addition, over 50 percent of its outstanding stock is directly or indirectly owned by five or less U.S. citizens or residents.

[11] Foreign corporations controlled by U.S. corporations with $250 million or more in total assets generally account for the largest part of the CFC statistics. For instance, for 1980, CFC's owned by these "giant" U.S. corporations accounted for the major portion of total assets (94 percent) and business receipts (93 percent) of CFC's owned by all U.S. corporations.

[12] The total U.S. export statistics come from the U.S. Department of Commerce, Bureau of the Census, Highlights of U.S. Export and Import Trade, FT 990, monthly.

[13] Foreign corporations with income derived from U.S. sources are included in the sample used for the SOI corporate program.

[14] Domestic corporations with 50 percent or more ownership by a foreign entity are included in the sample used for the SOI corporate program.

[15] If income paid to nonresident aliens is considered "effectively connected" with the conduct of a trade or business within the United States, then the tax rate applicable to the income is substantially the same as that for U.S. residents.

Table 1.--International Statistical Programs: Measures of Population and Sample

Study	Tax Year								
	1984 (1)	1985 (2)	1986 (3)	1987 (4)	1988 (5)	1989 (6)	1990 (7)	1991 (8)	1992 (9)
Corporation Foreign Tax Credit:									
Form 1120 Population	4,900	4,950	5,000	5,050	5,100	5,150	5,200	5,250	5,300
Form 1120 Sample	2,400	N/A	2,400	N/A	2,200	N/A	2,200	N/A	2,400
Foreign Corporation Information Returns:									
Population:									
Form 1120	5,100	5,175	5,250	5,325	5,400	5,475	5,550	5,575	5,650
Form 5471	45,000	46,000	47,000	48,000	48,000	49,000	49,000	50,000	50,000
Sample:									
Form 1120	1,100	N/A	4,000	N/A	1,000	N/A	1,000	N/A	4,050
Form 5471	32,000	N/A	40,000	N/A	30,500	N/A	30,500	N/A	41,000
Domestic International Sales Corporations, Form 1120-DISC:									
Population	10,900[1]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sample	2,200[1]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Charge Domestic International Sales Corporations, Form 1120-IC-DISC:									
Population	1,750[2]	2,500	2,560	2,620	2,680	2,740	2,800	2,860	2,920
Sample	1,750[2]	600	615	625	640	650	665	680	690
Foreign Sales Corprations, Form 1120-FSC:									
Population	2,850[2]	4,000	4,100	4,200	4,300	4,400	4,500	4,600	4,700
Sample	2,850[2]	1,700	1,725	1,750	1,775	1,800	1,825	1,850	1,875
U.S. Possessions Corporations, Form 5735:									
Population	700	700	720	720	720	740	740	740	760
Sample	N/A	700	N/A	720	N/A	740	N/A	740	N/A
Employer's Annual Federal Unemployment Tax Return for U.S. Possessions Corporations, Form 940:									
Population	700	700	720	720	720	740	740	740	760
Sample	N/A	700	N/A	720	N/A	740	N/A	740	N/A
International Boycott Participation Report, Form 5713:									
Population	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Sample	3,000[3]	3,000[3]	3,000	3,000[3]	3,000[3]	3,000[3]	3,000	3,000[3]	3,000[3]
Individual Foreign Tax Credit, Form 1116:									
Population	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Sample	N/A	N/A	N/A	13,000	N/A	N/A	N/A	13,000	N/A
Individual Income Earned Abroad, Form 2555:									
Population	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Sample	N/A	N/A	N/A	7,000	N/A	N/A	N/A	7,000	N/A

Footnotes at end of table.

Table 1.--International Statistical Programs: Measures of Population and Sample--Continued

Study	Tax Year								
	1984 (1)	1985 (2)	1986 (3)	1987 (4)	1988 (5)	1989 (6)	1990 (7)	1991 (8)	1992 (9)
Excluded Income from U.S. Possessions, Forms 1040 and 4563:									
Population	140	150	160	170	180	190	200	210	220
Sample	N/A	N/A	N/A	170	N/A	N/A	N/A	210	N/A
Creation of, or Transfers to, Certain Foreign Trusts, Forms 3520 and 3520A:									
Population[4]	370	380	390	400	410	420	430	440	450
Sample[4]	N/A	N/A	390	N/A	N/A	N/A	430	N/A	N/A
Foreign Corporations with Income Derived from U.S. Sources, Form 1120F:									
Population	12,000	13,000	14,000	15,000	16,000	17,000	18,000	19,000	20,000
Sample	3,000	3,250	3,500	3,750	4,000	4,250	4,500	4,750	5,000
U.S. Corporations with 50 Percent or More Ownership by a Foreign Entity, Form 1120:									
Population	40,000	44,000	48,000	52,000	56,000	60,000	64,000	68,000	72,000
Sample	3,000	3,300	3,600	3,900	4,200	4,500	4,800	5,100	5,400
Nonresident Alien Income and Tax Withheld, Form 1042S:									
Population	780,000	1,020,000	1,020,000	1,025,000	1,025,000	1,030,000	1,030,000	1,035,000	1,035,000
Sample	780,000	1,020,000	1,020,000	1,025,000	1,025,000	1,030,000	1,030,000	1,035,000	1,035,000
Nonresident Alien Estates, Form 706NA:									
Population	200	225	225	250	250	250	275	275	275
Sample	N/A	N/A	225	N/A	N/A	N/A	275	N/A	N/A
Sales of U.S. Real Property Interests by Foreign Persons, Forms 8288 and 8288A:									
Population:									
Form 8288	N/A	3,050	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Form 8288A	N/A	9,150	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Sample:									
Form 8288	N/A	3,050	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Form 8288A	N/A	9,150	12,000	12,000	12,000	12,000	12,000	12,000	12,000

N/A - Items not applicable because there will be no study conducted for the tax year.

[1] The 1984 Form 1120-DISC study includes only returns with accounting periods ending between July and December of 1984.

[2] The 1984 Forms 1120-IC-DISC and 1120-FSC studies are "special" studies. Because of the effective date of the enacting legislation, only returns with accounting periods ending between January and June 1985 will be included.

[3] Data will be tabulated for only approximately 100 reports which show a denial of certain tax benefits. For the remaining reports for these years, only a count of reports filed will be obtained.

[4] Counts reflect population and sample estimates for each of Forms 3520 and 3520A.

Corporate Foreign Tax Credit, 1982: A Geographic Focus

By Chris R. Carson*

For the first time in recent years, interest surpassed dividends as the most common type of foreign income of "giant" U.S. corporations that claimed a foreign tax credit for 1982 [1]. Branch income, which makes up 25 percent of foreign-source taxable income, is not included in this comparison because it is reported only on a net basis. While foreign non-branch gross income declined slightly from $86.1 billion for 1980 to $82.0 billion for 1982, non-branch interest income rose by 59 percent from $12.5 billion to almost $20 billion. Almost 40 percent of this increase was accounted for by just four countries: the United Kingdom, Bahamas, Mexico and Brazil. This rise in interest was due to both higher interest rates and increased lending. For the same reasons, 1982 was also the first time in recent years that foreign corporations received more U.S. interest than dividends [2].

The foreign tax credit claimed by giant U.S. corporations declined by 27 percent, from $24.9 billion for 1980 to $18.2 billion for 1982, while foreign-source taxable income declined by 19 percent, from $70.5 billion to $57.1 billion. Due mostly to the foreign and domestic losses of many U.S. corporations for 1982, the number of "giant" companies (total assets of $250 million or more) claiming a foreign tax credit fell by 19 percent, to 741 during the same period. This amounts to 23 percent of the 3,188 active U.S. corporations meeting this "giant" criterion. It was this small group that accounted for nearly all of the foreign tax credit claimed by U.S. corporations.

U.S. corporations continued to earn more foreign-source taxable income from the United Kingdom (18 percent of the total) than from any other country during 1982. Moreover, U.K.-source income declined less than overall foreign-source income during the 1980-82 period. The United Kingdom also led with the most foreign taxes paid by U.S. corporations ($2.9 billion).

Despite the overall drop in foreign-source taxable income from 1980, in general, the use of offshore financial centers in the Caribbean and Central America appears to have increased. As is shown in Figure A, taxable income from the Netherlands Antilles nearly doubled and taxable income from Panama and the Bahamas also increased. These increases were generally due to rising dividends (Netherlands Antilles) or interest income (Bahamas) or both (Panama). Brazil's increase was due to a 74 percent rise in non-branch interest.

Most of the countries in Figure A (which includes countries with at least $1 billion of foreign-source taxable income for either 1980 or 1982) showed decreases. The largest income decreases were registered by Libya, Nigeria and the United Arab Emirates, all of them due to reduced oil and gas extraction income. A sizable drop in dividend income caused West Germany's income decline.

Figure A.--Foreign-Source Taxable Income, by Selected Country, 1980 and 1982

[Millions of dollars]

Country	1980	1982	Change
	(1)	(2)	(3)
All countries.....	$70,541	$57,059	-19.1%
Netherlands Antilles	587	1,152	96.2
Brazil.....	862	1,219	41.4
Panama.....	939	1,259	34.1
Bahamas.....	1,934	2,222	14.9
Mexico.....	1,522	1,564	2.8
Saudi Arabia.....	1,114	1,127	1.2
Egypt.....	1,182	1,151	-2.6
Canada.....	6,610	6,438	-2.6
France.....	1,626	1,578	-3.0
United Kingdom.....	11,347	10,244	-9.7
Indonesia.....	4,293	3,838	-10.6
Italy.....	1,123	907	-19.2
Australia.....	1,877	1,411	-24.8
Norway.....	3,532	2,540	-28.1
Japan.....	2,942	1,978	-32.8
Switzerland.....	1,172	781	-33.4
Netherlands.....	2,635	1,693	-35.7
West Germany.....	3,579	2,035	-43.1
United Arab Emirates	1,677	848	-49.4
Nigeria.....	2,730	999	-63.4
Libya.....	2,266	674	-70.3

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Foreign-source taxable income of U.S. corporations doing business with members of the Organization of Petroleum Exporting Countries (OPEC) [3] continued to drop in 1982 to $8.6 billion, a decline of almost 35 percent from 1980. Taxes paid by U.S. corporations to OPEC countries fell even faster (39 percent) to $5.3 billion during this period. These changes were mirrored in reductions since 1980 in "foreign oil-related" income (38 percent) and taxes (36 percent) for all countries.

Nearly half the total taxes paid by U.S. banks to foreign countries were paid to Brazil and Mexico. About three-fourths of tax withheld on foreign non-branch interest payments to U.S. banks was attributed to these countries, reflecting the substantial debt they owe to U.S. banks and their high withholding taxes. (The overall effective withholding tax rate on interest was only 4.4 percent and, excluding Brazil and Mexico, only 2.1 percent for 1982.) More than 96 percent of the $153 million increase between 1980 and 1982 in foreign withholding taxes on interest can be attributed to Brazil.

BACKGROUND

U.S. corporations are subject to U.S. tax on their worldwide income. The portion of this income derived from foreign sources is also typically subject to tax by the country in which it was earned. Since this could result in double taxation of the foreign income, U.S. tax law allows corporations a dollar-for-dollar credit against U.S. income tax for income taxes paid to foreign governments.

The original foreign tax credit provisions, as established by the Revenue Act of 1918, allowed corporations to reduce their U.S. tax liability by their total foreign income tax burden. Until passage of the Revenue Act of 1921, U.S. corporations could credit an unlimited amount of foreign taxes. As a result, corporations could use the foreign tax credit mechanism to offset their income tax liability on domestic, as well as foreign, income. To remedy this situation, the 1921 Act limited the foreign tax credit to the U.S. tax on foreign-source income. That limitation still remains, and certain further limitations have been introduced with respect to particular types of income.

Currently, corporations are subject to a limitation in which the credit is limited to the portion of total U.S. income tax that is attributable to foreign-source taxable income. For purposes of this limitation, foreign-source taxable income cannot exceed worldwide taxable income. This calculation results in a zero limitation (no credit) if a corporation has an overall foreign loss. In addition, corporations with worldwide losses would have no U.S. tax against which to claim a credit.

For 1982, this limitation was separately calculated for four categories of income: (1) section 904(d) (generally portfolio) interest income, (2) dividends from a Domestic International Sales Corporation (DISC) or former DISC, (3) foreign oil-related income, and (4) all other income from foreign sources. As of 1984, two new categories of income applied: (1) foreign trade income of a Foreign Sales Corporation (FSC), and (2) distributions of a FSC or former FSC. Also, foreign oil-related income has been merged with all other income from foreign sources, although foreign oil and gas extraction taxes are still limited through a separate calculation. The total foreign tax credit claimed is generally the sum of the separate type-of-income credits, reduced by an amount for participation in or cooperation with international boycotts [4].

To claim a foreign tax credit, a U.S. corporation must have foreign-source taxable income, pay, accrue or be deemed to have paid foreign income tax on the foreign income, and have a U.S. income tax liability. Taxes that may be credited are income taxes imposed by U.S. possessions or a foreign country. Taxes such as excise, franchise, and sales, do not qualify as creditable taxes. Any foreign tax paid, accrued or deemed paid (see "Current-year Foreign Taxes" in the Explanation of Selected Terms section) in excess of the limitation can be carried back 2 years and the remainder then brought forward 5 years.

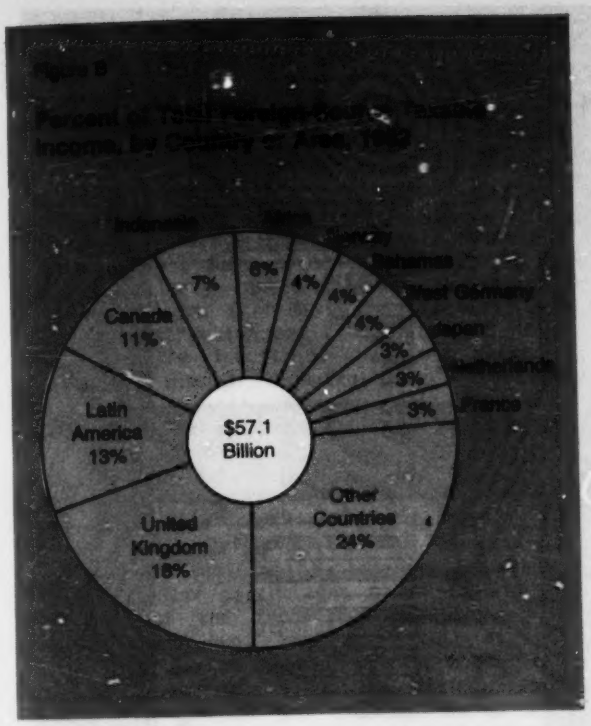
Since U.S. corporations are taxed on their worldwide income, the foreign tax credit serves to eliminate double taxation. While foreign taxes may be treated as a deduction, corporations almost always benefit more by crediting these taxes. In general, for 1982, deducting foreign taxes was preferable to crediting only when less than 46 percent of current-year taxes could be credited for the current year, or could be used as either a carryback or carryforward to other years for crediting.

FOREIGN INCOME AND TAXES BY COUNTRY

Income and Taxes: Totals and Industries

Figure B shows the principal countries or areas of origin of foreign-source taxable income for 1982. As for 1980, the United Kingdom (18 percent), Canada (11 percent), and Indonesia (7 percent) were the top three countries. The remaining 64 percent of income was widely distributed, with no single country accounting for as much as 5 percent of the total.

The most current-year foreign taxes were paid to the same three countries, United Kingdom, Canada and Indonesia, in the same order, although some percentages varied (see Figure C). Canada was responsible for an equal percentage of income and taxes, giving Canada an effective tax rate (current-year foreign taxes as a per-

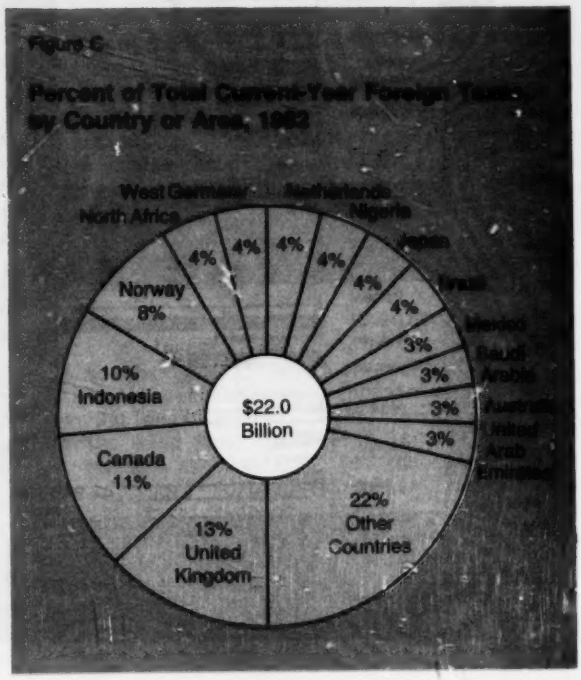


centage of foreign-source taxable income) almost identical to the all-country average. U.K. taxes, however, represented a smaller portion of the total taxes than U.K. income did of all income, suggesting that the effective U.K. tax rate was below average. The Indonesian tax percentage was greater than its income percentage, reflecting the high taxes imposed on the petroleum industry there. The same was true for Norway, which represented 4 percent of all foreign income, but 8 percent of all foreign tax. Taxes paid to the Bahamas represented only 0.2 percent of all taxes compared to the 4 percent figure for income received from the Bahamas.

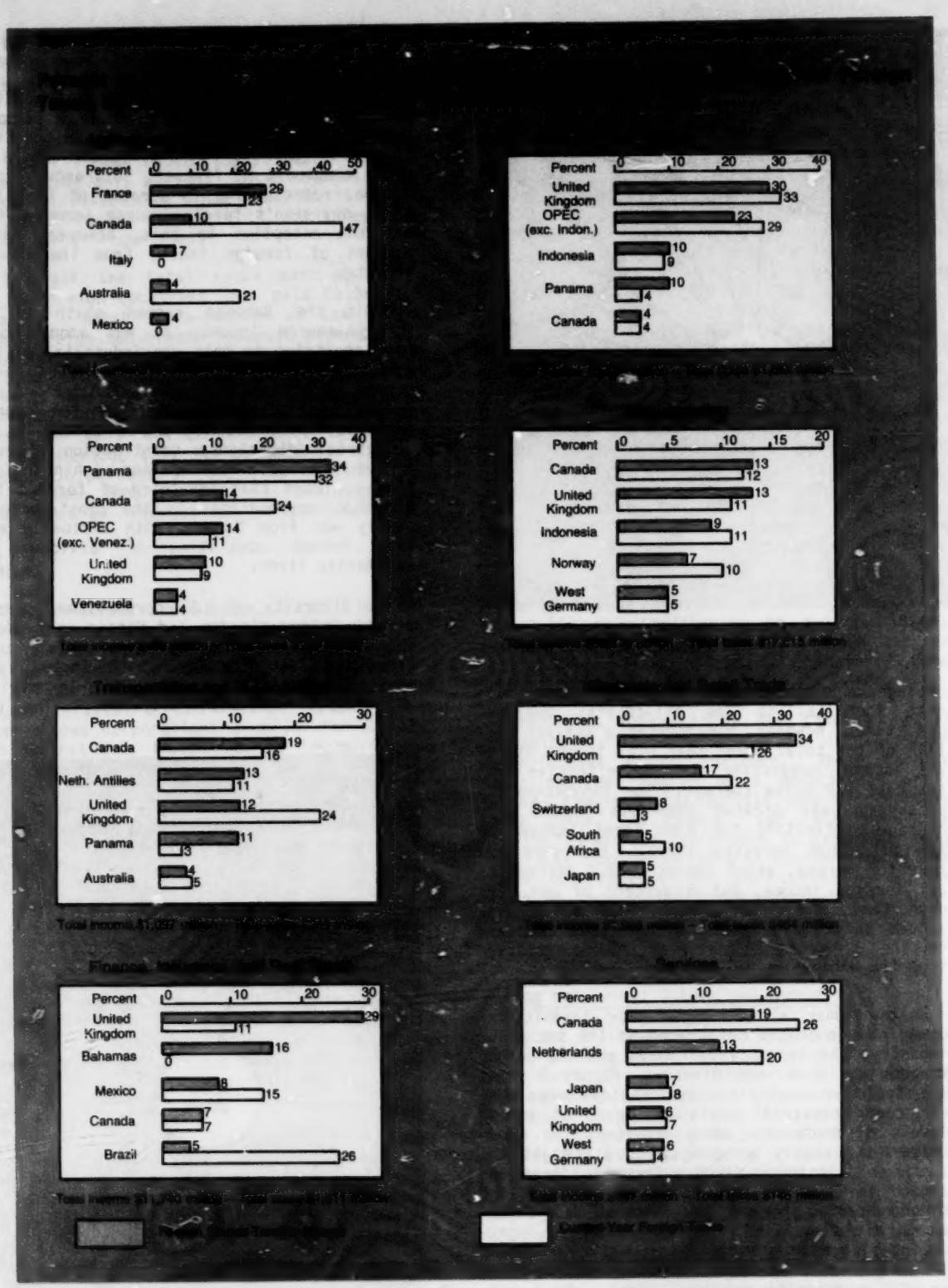
While almost all foreign-source taxable income from Indonesia originated in the petroleum industry, the income from Canada and the United Kingdom was much more diverse. Figure D shows the top five countries, or country groupings, for each industrial division, based on income levels. Canada was among the top five countries (or country groupings) in all eight industrial divisions, placing first in three and second in three others. Similarly, the United Kingdom ranked in the top five of all industrial divisions, with the exception of agriculture, forestry, and fishing, while providing 59 percent more foreign income ($10.2 billion) to U.S. corporations than Canada ($6.4 billion). Mining (mostly petroleum), finance, insurance and real estate (mostly banking), and wholesale and retail trade were the industrial divisions with corporations that received considerably more income from the United Kingdom than Canada. Twenty-five times more income was received by U.S. banks from the United Kingdom than from Canada. Generally, banking is the major component of finance, insurance, and real estate, representing 89 percent of that industrial division's foreign-source income. Canada was the exception to this, however, with 80 percent of foreign income from the insurance industry.

While the Bahamas ranked sixth in total foreign-source income, it was among the top five countries in only one industrial division, with the majority of its income (84 percent) earned by the banking industry. Although Panama was not among the top ten countries overall, it ranked fourth or better in three industrial divisions: construction, where it ranked first; transportation (shipping); and mining. More than one-third of foreign income for U.S. corporations in the construction industry was from Panama, with virtually all of this income consisting of dividends from Panamanian firms.

The diversity of U.S. corporations operating in the United Kingdom and Canada is evident in Figure D in the distribution of total taxes by industrial division. As with income, Canada was represented in the top five countries in all eight industrial divisions. The United



Corporate Foreign Tax Credit, 1982



Kingdom was represented in all of the divisions, with the exception of agriculture, forestry and fishing. Australia, which was represented in only two divisions for income, ranked among the top countries in four industrial divisions (including wholesale and retail trade and services) when taxes were considered. This was due to a higher-than-average effective tax rate (48 percent compared to the all-country average of 39 percent). Indonesia, with an even higher effective tax rate (56 percent), similarly ranked high in two divisions (for income) and four divisions (for taxes, including construction and transportation, in addition to the industrial divisions shown for income). Although Canadian taxes represented almost half of all taxes in agriculture, forestry and fishing, Canadian income represented only 10 percent of all income. This coincides with Canada's higher-than-average effective tax rate in this industrial division (23.6 percent) compared to "all countries" (5.1 percent).

There is a substantial disparity between the income and tax percentages shown in Figure D for four of the top five countries in the finance, insurance, and real estate division. Brazil and Mexico showed a much higher-than-average tax for that industrial division, while the United Kingdom and the Bahamas showed a much lower-than-average tax. The Bahamas imposed virtually no income (including withholding) taxes. The United Kingdom provided 29 percent of this division's income, but received only 11 percent of its taxes. Much of the gross income from the United Kingdom was exempt from withholding tax because of the U.S. - U.K. tax treaty. Most of this division's income from Brazil and Mexico was interest, but it was subjected to higher tax withholding rates, since the United States did not have tax treaties with either country. Canada, which shows the same percentage of income and taxes, has a tax treaty with the United States which lowered, but did not eliminate, withholding taxes. Table 1 of this article provides detailed data on the type and amount of income generated in most foreign countries.

Type of Income by Country

The type of non-branch foreign income U.S. corporations received varied considerably by country (income-type detail is not available for branch income), as is shown in Figure E. The variance from the overall average distribution increased as the amount of gross income decreased for each of the countries shown. Certain country trends are noted:

- The United Kingdom, which contributed the most to non-branch gross income, had a distribution of income similar to that for "all countries,"
- almost all income from the Bahamas was interest,
- two-thirds of the gross income from Norway was made up of rents and royalties, virtually all from the petroleum industry,
- U.S. firms were twice as likely to derive rents and royalties from Japan and West Germany as from other countries, and
- most U.S. investment in the Netherlands and West Germany was in corporate stock, as evidenced by the fact that the majority of income was dividends or the associated tax (dividend gross-up).

Income distribution generalizations can be made for geographic areas as well as for specific countries. A higher proportion of income from Latin America was interest (40 percent) than from countries in general (24 percent). Rents and royalties were less likely to be received from Latin America (4 percent of income compared to an overall ratio of 12 percent). This was also the case with other less-industrialized areas such as Africa (4 percent). No dividend income was received from any Eastern European Soviet-bloc country because only a handful of companies incorporated in these countries were owned by U.S. corporations [5]. About half of the gross income from these countries was interest while a third was income for services. African countries were only one-third as likely (based on percentage of all income) to pay interest to U.S. corporations as other countries. This may be because these countries did not have a debt burden similar to those of some industrializing Latin American countries.

Comparison of Foreign Income to Foreign Economic Activity

U.S. corporations tend to receive large amounts of income from certain countries, compared to the general level of economic activity of those countries, as represented by their Gross National Product (GNP) [6]. (Certain countries also tend to receive large amounts of U.S. income as compared to their GNP [7].) Figure F shows foreign-source taxable income, GNP, and foreign-source taxable income as a percentage of GNP for the countries having the highest percentages and from which at least $500 million of taxable income was received, for 1982.

Corporate Foreign Tax Credit, 1982

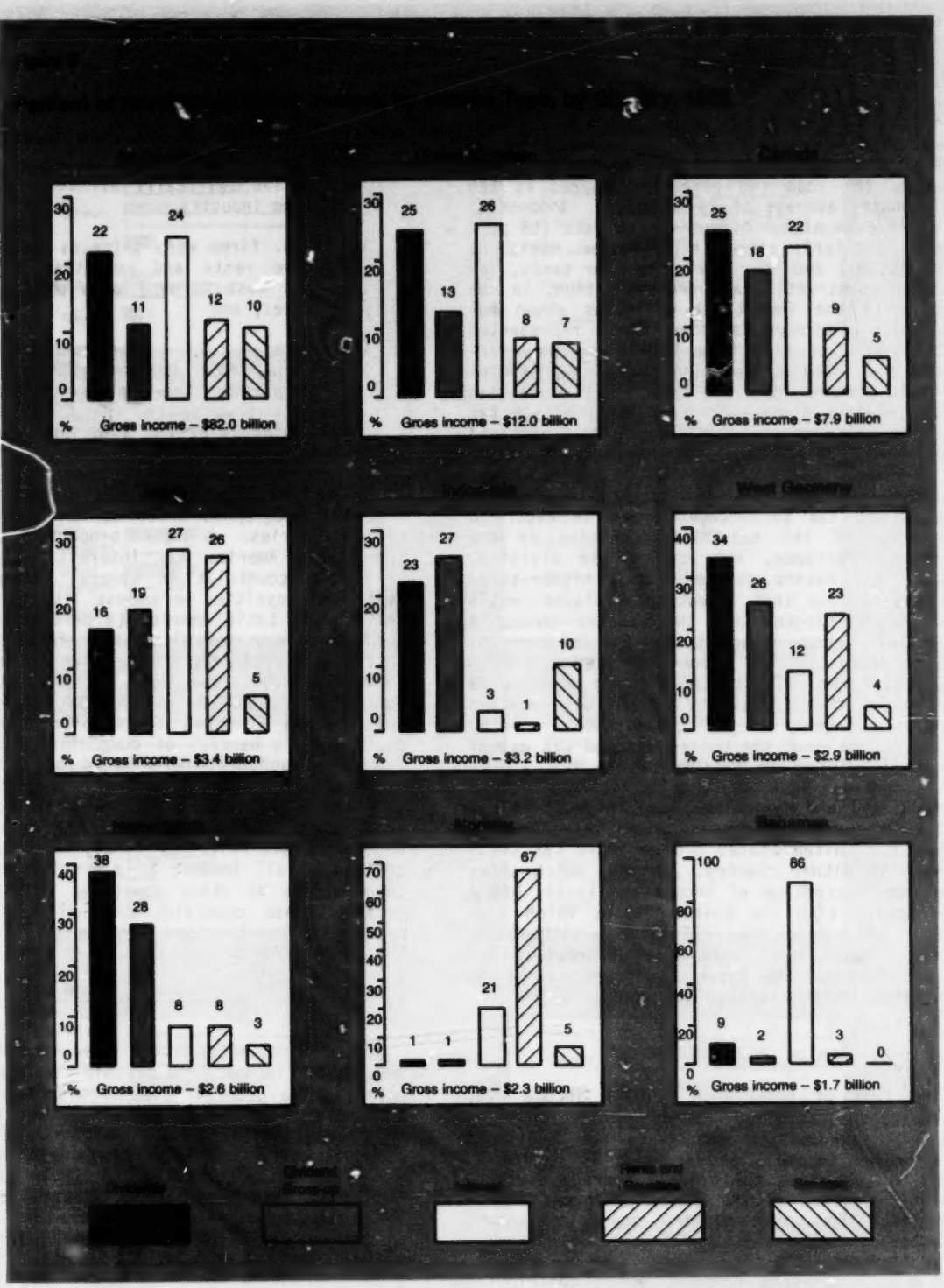


Figure F.--Foreign-Source Taxable Income as a Percentage of Gross National Product, 1982

[Millions of dollars]

Country	Foreign-source taxable income	Gross National Product	Percentage
	(1)	(2)	(3)
Bahamas.....	$2,222	$ 840	264.5%
Netherlands Antilles.....	1,152	1,370	84.1
Bermuda.....	552	790	69.9
Panama.....	1,259	4,060	31.0
Norway.....	2,540	58,720	4.3
Indonesia.....	3,838	88,960	4.3
Egypt.....	1,151	29,550	3.9
United Arab Emirates.....	848	27,260	3.1
Libya.....	674	27,120[4]	2.5
Peru.....	521	22,030	2.4
Canada.....	6,438	278,960	2.3

The foreign-source taxable income received from the Bahamas was more than two and one-half times its Gross National Product. This suggests that many U.S. corporations were investing through, as well as in, the Bahamas. The next three countries have high percentages as well. Most of the remaining countries were oil-producing countries, where U.S. oil companies have substantial operations. The percentages shown for most of these countries seem particularly high when compared to the average for "all countries" (0.8 percent) for which GNP information was available. U.S. corporations received nearly 340 times more income from the Bahamas than the overall rate would suggest.

Interest Income

Interest was more likely to be received from certain countries than other types of income. Figure G shows the countries (with at least $500 million of gross income) paying the highest percentage of non-branch gross income as interest. The Bahamas and Cayman Islands, with the highest percentages, are both offshore financial centers. Mexico, Argentina, and Brazil paid large amounts of interest on their debts to U.S. banks. Singapore and Hong Kong are major Asian financial centers.

Figure G.--Interest as a Percentage of Total Non-branch Gross Income, 1982

[Millions of dollars]

Country	Gross income	Interest	Percentage
	(1)	(2)	(3)
All countries.	$82,044	$19,937	24.3%
Bahamas.....	1,695	1,455	85.8
Cayman Islands..	687	570	83.0
Mexico.....	2,833	1,708	60.3
Argentina.....	799	429	53.6
Brazil.....	2,028	1,071	52.8
Singapore.....	544	272	50.0
South Korea.....	544	265	48.7
Hong Kong.....	652	295	45.2

Type of Foreign Tax Credit Limitation

As mentioned earlier, U.S. tax law requires separate foreign tax credit limitations with respect to different categories of foreign income. Figure H shows foreign-source taxable income by country (or area) for three of the four income categories. (Country detail was not reported for the fourth, DISC dividends.) While income levels remained similar to 1980 for foreign non-business-related interest income and the residual "all other" income, foreign oil-related income fell by almost 38 percent to $19.3 billion. DISC dividend income ($1.2 billion), which is not shown, did not change from 1980.

Although foreign oil-related income dropped dramatically from 1980, the geographic distribution of this income did not change substantially. The combined total for OPEC countries and the United Kingdom accounted for more than half of all petroleum income, maintaining nearly identical proportions of the total, 36 percent and 18 percent, respectively. Reflecting the reduced levels of foreign oil-related income, OPEC countries provided a smaller percentage of all income paid and taxes received for 1982 than for 1980, as is shown in Figure I.

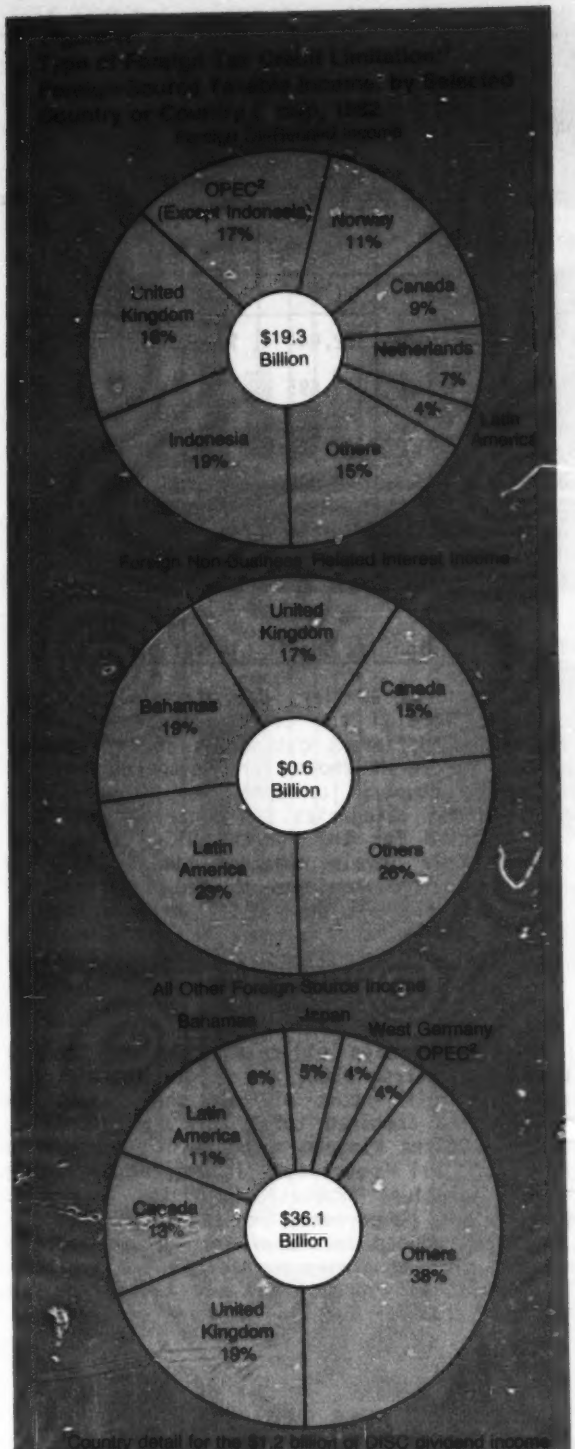


Figure I.--Foreign-Source Taxable Income and Current-Year Foreign Taxes, by Selected Oil-Producing Area, 1980 and 1982

[Millions of dollars]

Country	1980		1982	
	Income	Tax	Income	Tax
	(1)	(2)	(3)	(4)
Total.....	$70,541	$29,996	$57,059	$21,998
OPEC.....	13,110	8,763	8,559	5,318
Norway plus United Kingdom.....	14,880	6,370	12,784	4,665
Percentage of total:				
OPEC.....	18.6%	29.2%	15.0%	24.2%
Norway plus United Kingdom.....	21.1	21.2	22.4	21.2

The principal North Sea oil countries (the United Kingdom and Norway) maintained almost identical proportions of foreign-source taxable income and current-year foreign taxes from 1980 to 1982. Although the taxes for these North Sea countries were proportional to income for both years, OPEC countries were responsible for a disproportionately high percentage of total taxes for both years, as shown in Figure I. This was due to the high foreign tax rates on oil income.

Foreign non-business-related taxable interest income remained virtually identical from 1980 to 1982, rising by less than 1 percent to $566 million. The sources of this income changed dramatically, however. Latin American countries paid more than $127 million to U.S. corporations in 1982, an increase of more than 300 percent. This increase, combined with that of the Bahamas (67 percent), seems to have come at the expense of Canada and the United Kingdom, which both fell by about half. These four countries (or geographic areas) made up nearly three-fourths of all such interest.

The largest income limitation category by far was the residual "all other foreign-source income," with more than $36 billion of income. As with 1980, this income category was more diverse than the others with the top seven countries (or areas) comprising only 62 percent of the total income. Of the countries or country groups shown in Figure H, only the United

Kingdom showed an increased portion (5 percent) of the total, while Latin America and West Germany showed the largest drops (5 percent and 4 percent, respectively) from 1980 levels.

Effective Foreign Tax Rates

Because foreign tax rates varied considerably by country (and by type of income within countries), the effective tax rates (current-year foreign taxes divided by foreign-source taxable income) of countries ranged from almost 86 percent to less than 1 percent, as is shown in Figure J (see "Explanation of Selected Terms" section for information on effective tax rate limitations). Only seven of the 27 countries shown fall within 10 percentage points above or below the all-country average. For "all countries", the overall effective tax rate fell substantially from 1980, from 42.5 percent to 38.6 percent. This decrease can be attributed to both branch income and non-branch interest. While non-branch interest rose by 59 percent, tax on this interest increased by only 28 per-

Figure J
Current-year Foreign Taxes and Foreign Branch Taxable Income as Percentages of Foreign-source Taxable Income, by Selected Country, 1982 1/

[Money amounts are in millions of dollars]

Country	Current-year foreign taxes as a percentage of foreign-source taxable income			Foreign-source taxable income	Foreign branch taxable income as a percentage of foreign-source taxable income		
	Rank	Percent	Taxes		Rank	Percent	Foreign branch taxable income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All countries	-	38.6%	$21,998	$57,059	-	25.4%	$14,475
Nigeria	1	85.9	858	999	7	44.9	448
Norway	2	70.6	1,794	2,540	8	41.4	1,052
United Arab Emirates	3	69.7	591	848	2	73.2	621
Libya	4	69.4	467	674	5	51.4	346
Brazil	5	68.1	831	1,219	15	20.6	251
Saudi Arabia	6	65.0	733	1,127	9	41.2	465
Indonesia	7	56.0	2,148	3,838	10	39.1	1,501
Netherlands	8	51.0	863	1,693	23	2.2	38
Peru	9	49.3	257	521	22	2.8	15
Mexico	10	49.1	768	1,564	17	14.6	228
Australia	11	48.2	680	1,411	6	45.3	639
Venezuela	12	45.6	277	609	13	21.4	130
West Germany	13	45.6	927	2,035	2/	2/	-86
Egypt	14	42.6	490	1,151	21	4.3	50
Japan	15	42.3	837	1,978	2/	2/	-109
Canada	16	38.4	2,470	6,438	20	7.1	455
Spain	17	31.0	163	526	18	12.0	63
Switzerland	18	28.3	221	781	2/	2/	-29
Italy	19	28.2	256	907	16	17.8	161
United Kingdom	20	28.0	2,871	10,244	11	32.7	3,354
France	21	27.3	431	1,578	14	21.0	332
Argentina	22	21.5	176	818	3	62.4	511
Panama	23	19.0	239	1,259	19	11.3	142
Netherlands Antilles	24	17.0	196	1,152	12	31.5	362
Bahamas	25	1.8	40	2,222	1	74.9	1,664
Bermuda	26	0.6	3	552	24	0.4	2
Cayman Islands	27	0.6	4	769	4	58.5	450

1/Includes countries with more than $500 million of foreign source taxable income.
2/Not calculated due to foreign branch loss.

cent, at least partially due to the shift of the source of income to low tax jurisdictions and tax treaty countries.

Tax on foreign branch income fell more rapidly (45 percent) than branch income (34 percent). Even though branch income fell by a third overall, it rose by more than one-quarter in two major Caribbean countries (the Bahamas and Netherlands Antilles). These two countries had low effective foreign tax rates.

Almost all of the countries with the highest effective tax rates were oil-producing nations. Brazil was the only country with an effective rate above 50 percent that was not a major oil-producing country. Brazil's rate was more than 68 percent because interest from Brazil (53 percent of non-branch gross income) was generally subjected to a 25-percent withholding tax on the gross amount. The deductions attributable to this income reduced taxable income (on which the effective tax rate is based), and thereby increased the effective tax rate to above 25 percent.

Although the United Kingdom had the second highest amount of foreign-oil-related income, its effective rate was only 28 percent, mainly because the tax rate on its $3.1 billion of non-branch interest was less than 0.5 percent. At the bottom end of the range, the effective tax rates for Bermuda and the Cayman Islands were both below 1 percent.

Organizational Structure of Foreign Operations

There are several different organizational structures available to U.S. corporations seeking to expand their markets or business activities abroad. Most corporations wanting to establish a permanent presence abroad elect to do so by using an unincorporated foreign branch operation, investing in an existing foreign corporation, or forming a subsidiary under the laws of the foreign country. Some business activities can also be transacted without a foreign presence, e.g., certain loans and exports.

Figure J also shows foreign branch taxable income as a percentage of total foreign-source taxable income by country. Branch taxable income as a percentage of all foreign taxable income fell from 31 percent for 1980 to about 25 percent for 1982. This was because foreign branch income, which fell 34 percent from 1980, is netted against foreign branch losses, which increased during the period due to the worldwide recession.

The Bahamas had the highest proportion of income from foreign branches (75 percent), while Bermuda had the lowest (under 1 percent), as shown in Figure J. These percentages show the diversity of business structures in foreign countries. (Percentages could not be calculated for three countries with branch losses.)

Further evidence of the organizational structures preferred by U.S. corporations (or required by foreign countries) doing business with foreign countries can be determined by looking at the proportion of dividend income (including dividend gross-up) to total foreign gross income. Eighty-three percent of the gross income from Bermuda consisted of dividends, confirming the preference U.S. corporations have for using subsidiaries to conduct their operations in that country. Only 11 percent of the gross income from the Bahamas was dividends. These figures are consistent with the branch income percentages noted above for those two countries.

SUMMARY

The foreign tax credit claimed by "giant" U.S. corporations declined by more than a quarter, from $24.9 billion for 1980 to $18.2 billion for 1982. Foreign and domestic losses helped reduce the number claiming a foreign tax credit by 19 percent, to 741. About one-fourth of all "giant" U.S. corporations claimed the credit for 1982.

Interest surpassed dividends (excluding dividend gross-up) as the most common type of foreign non-branch income earned by U.S. corporations in 1982. Interest rose by 59 percent from 1980 to 1982 to almost $20 billion. Much of this increase was attributable to just four countries: the United Kingdom, Bahamas, Mexico, and Brazil.

U.S. corporations earned more foreign-source taxable income ($10.2 billion) from the United Kingdom than any other country, even though this income fell by 10 percent from 1980. Likewise, these corporations paid more taxes ($2.9 billion) to the United Kingdom for 1982 than to any other country. The United Kingdom also led in both of these categories in 1980.

Corporate use of offshore financial centers appeared to be increasing, as of 1982, despite a decrease in income of 19 percent for "all countries." For example, income from the Netherlands Antilles nearly doubled, to $1.3 billion. The income of certain countries also seemed high compared to the general economic activity of these countries. Income from the Bahamas was more than two-and-one-half times that country's Gross National Product (GNP). Offshore-financial-center countries consistently showed considerably higher income-to-GNP ratios than other countries.

About three-fourths of tax withheld on foreign non-branch interest payments to U.S. banks could be attributed to Brazil and Mexico. This reflects the substantial debt these countries

owe to U.S. banks. More than 96 percent of the $153 million increase from 1980 in foreign interest withholding taxes could be attributed to Brazil.

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics shown in this article are from returns of all U.S. corporations that had $250 million or more in total assets (so-called "giant" returns) and claimed a foreign tax credit. These statistics therefore vary slightly from data contained in a previous article entitled "Foreign Tax Credit by Industry, 1982," which was included in the Spring 1986 Statistics of Income Bulletin. That article was based on all 1982 U.S. corporation returns, giants as well as non-giants, with a foreign tax credit.

There is no sampling variability associated with these statistics because all "giant" returns were used in compiling the data. The accounting periods of corporations included in the data were those ending between July 1982 and June 1983.

There is some undercoverage of foreign income and tax data other than the minor limitation of giant-only returns (96 percent of foreign-source taxable income and 97 percent of current-year foreign taxes are accounted for by giant returns). Some corporations with foreign income and taxes operated at a deficit and had no U.S. tax liability against which a foreign tax credit could be claimed. Other corporations may have chosen to deduct their foreign taxes from gross income rather than credit them against their U.S. tax liability. For these particular returns, it is believed that the foreign income and tax amounts were insignificant. In both circumstances, these returns would have been excluded from this study.

General Limitations

The foreign tax credit was claimed under section 901 of the Internal Revenue Code. Corporations claiming a foreign tax credit generally provide supporting foreign income and tax data on Form 1118, Computation of Foreign Tax Credit--Corporations, attached to their U.S. corporation income tax return. Form 1118 is the source of the foreign income and tax data for this article. The statistics do not reflect any adjustments that may be made during audit examination, when the acceptability of the foreign income and taxes reported for purposes of the credit is finally determined. In addition, some corporations provided only preliminary foreign income and tax data with their U.S. tax returns because not all the information on their foreign operations was available at the time the U.S. income tax return was filed. (Amended returns were not used for these statistics.)

U.S. tax law allows parent corporations to file consolidated income tax returns presenting the combined financial data of an entire group of affiliated corporations. Therefore, the actual number of corporations claiming a foreign tax credit is understated, since the statistics in this article represent the number of corporation income tax returns with foreign tax credit. For purposes of this article, however, the term "corporations" is used to denote "returns."

The term "country" as used in this article includes not only countries, but also other separate taxation authorities, such as Puerto Rico and U.S. possessions. For certain tables and figures shown in this article, data for geographic areas are presented together with countries.

EXPLANATION OF SELECTED TERMS

Current-year Foreign Taxes.--Generally, current-year foreign taxes available for credit included (a) foreign taxes directly paid or accrued by a U.S. corporation on profits of foreign branch operations; withholding taxes on dividends, interest, rents, royalties and license fees; and other foreign taxes paid or accrued on partnership and services income; and (b) foreign taxes indirectly, or deemed, paid by a U.S. corporation. These "deemed paid" taxes were the taxes paid or accrued by a related foreign corporation on the profits from which dividends were paid (or constructive distributions made) to the U.S. corporation.

Dividend Gross-up.--An amount of income equal to the foreign tax deemed paid that is associated with dividends received or includable income constructively received from foreign corporations.

Effective Foreign Tax Rate.--For a particular country (or country grouping), this was the amount of current-year foreign taxes paid to a country as a percentage of the foreign-source taxable income from that country. The effective foreign tax rates shown in this article may vary considerably from the statutory tax rate(s) of the countries. This is because (1) foreign-source taxable income was determined under U.S. tax law, while the actual income subject to foreign tax was determined under the laws of the taxing country; (2) foreign-source taxable income was net of losses, which overstates the effective foreign tax rate; (3) many countries had progressive tax rates or taxed various types of income at different rates; (4) certain foreign subsidiary income and the associated foreign taxes were applicable to operations in countries other than the "host" country; and (5) some countries taxed selected

industries at rates in excess of other industries.

Foreign Oil-related Income.--This was income derived from foreign sources from (1) extracting minerals from oil and gas wells, (2) processing such minerals into their primary products, (3) transporting such minerals or primary products, and (4) selling or exchanging assets used in these activities.

Foreign-source Taxable Income.--Foreign-source gross income (including certain income "constructively" although not "actually" received, i.e., "foreign dividend gross-up" and "includable income of Controlled Foreign Corporations") less or "net" of the allocable deductions determined under the Internal Revenue Code and by provisions of any tax treaty between the United States and a particular foreign country constitutes foreign-source taxable income. This taxable income was the amount on which the U.S. income tax on foreign earnings was determined. It could differ from the taxable income from overseas business operations and investments computed under foreign tax law, which was used as the basis for foreign taxation. In general, foreign-source taxable income included foreign-branch profits, dividends received from foreign corporations, rental income, royalties, license fees, gains from the sale of real property, and compensation for labor or services performed. The amounts shown in the statistics are net of losses.

Specially Allocable (Section 863(b)) Income.--Income partially earned within the United States and partially earned within a foreign country or U.S. possession constitutes specially allocable (section 863(b)) income. In general, the income covered by section 863(b) of the Internal Revenue Code was generated either by production within the United States and sales abroad or vice versa, or by transportation, telegraph, or cable services.

NOTES AND REFERENCES

[1] This comparison excludes dividend gross-up. See the "Explanation of Selected Terms" section.

The basic statistics in this article represent U.S. corporations with $250 million or more in total assets that claimed a foreign tax credit. Although only 741 of the 4,941 total corporations claiming a foreign tax credit had this level of assets, these "giant" corporations were responsible for approximately 96 percent of both total foreign tax credit and total foreign-source taxable income. These statistics will therefore vary slightly from the data shown in the article by Mary Barlow entitled "Foreign Tax Credit by Industry, 1982," Statistics of Income Bulletin, Spring 1986, which are based on all corporation returns with a foreign tax credit. The 1982 statistics are generally compared to 1980 data for all corporation returns with a foreign tax credit, because detailed information is not available for 1981.

[2] Carson, Chris, R., "Nonresident Alien Income and Tax Withheld, 1982, "Statistics of Income Bulletin, Fall 1984, Vol. 4, No. 2, p. 21.

[3] The Organization of Petroleum Exporting Countries (OPEC) includes Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

[4] For additional information on international boycotts, see Mose, Vergie, "Report on International Boycotts, 1976-82: A Focus on the Middle East," Statistics of Income Bulletin, Summer 1985, Vol. 5, No. 1, pp. 65-81.

[5] See Statistics of Income Bulletin, Winter 1986-87, for an article on Controlled Foreign Corporations by country or geographic area.

[6] World Bank, World Bank Atlas, 1985, pp. 6-9. GNP data were not available for certain countries including the Soviet Union and Soviet-bloc countries.

[7] See Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1983," Statistics of Income Bulletin, Fall 1985, Vol. 5, No. 2, pp. 44-45.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends

(Money amounts are in thousands of dollars)

Country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources							
			Net income (less deficit)	Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All geographic areas, total	**741**	**3,680,345,137**	**101,255,070**	**98,142,191**	**43,814,397**	**18,211,879**	**57,058,820**	**12,744,855**	**9,252,842**	**2,063,502**
Canada	**566**	**3,238,255,037**	**92,088,537**	**89,260,597**	**39,947,021**	**17,532,529**	**53,982,606**	**12,180,931**	**9,035,974**	**2,047,238**
Latin America, total	**517**	**3,289,956,460**	**86,761,962**	**84,203,134**	**37,691,981**	**17,685,142**	**55,402,851**	**12,226,784**	**9,111,556**	**2,047,847**
Mexico	413	2,828,905,198	71,395,025	69,315,209	31,023,253	15,831,535	49,998,965	11,029,623	7,971,257	1,744,862
Central America, total	248	2,377,451,868	66,563,384	64,750,690	29,093,463	14,404,069	45,218,101	9,516,724	7,802,333	1,566,222
Belize	22	488,986,540	15,216,854	14,967,937	6,700,036	3,618,177	10,368,167	2,128,445	2,369,744	476,791
Costa Rica	107	1,590,126,694	38,028,209	36,944,763	16,501,680	9,189,569	29,542,541	6,007,060	5,223,094	1,172,749
El Salvador	67	1,238,049,595	30,755,807	30,045,063	13,551,329	7,662,586	23,606,919	5,011,509	4,235,276	805,719
Guatemala	123	1,702,428,728	45,702,962	44,756,090	20,135,745	11,302,182	34,021,037	7,279,785	6,223,618	1,366,097
Honduras	81	1,437,789,800	35,555,051	34,791,219	15,626,907	9,315,348	28,795,371	6,626,464	4,444,614	1,063,690
Nicaragua	63	1,328,059,396	28,834,677	28,154,029	12,758,054	7,960,536	25,224,448	5,071,397	4,102,651	831,541
Panama (including Canal Zone)	235	2,119,922,778	56,570,945	55,378,197	25,000,494	12,519,565	39,501,007	8,191,004	6,918,717	1,534,448
Not allocable	6	30,459,082	2,213,687	2,169,000	992,368	231,492	813,150	125,511	130,693	—
Caribbean countries, total	242	2,520,134,204	66,602,703	65,102,665	29,235,797	14,443,203	44,975,629	9,977,923	7,245,619	1,539,619
Cayman Islands	95	1,458,636,829	30,383,796	29,799,498	13,447,984	8,375,285	27,420,431	5,993,596	4,219,147	1,142,008
Dominican Republic	104	1,479,590,164	33,396,487	32,423,565	14,455,698	8,243,239	27,112,268	5,139,458	4,037,514	908,716
Haiti	52	971,489,015	26,392,893	25,989,158	11,732,270	7,264,908	21,445,053	4,990,105	3,550,184	808,241
Jamaica	92	1,206,557,166	40,375,650	39,464,948	17,866,307	10,101,982	29,341,983	6,380,064	5,331,825	1,016,509
Trinidad and Tobago	114	1,418,325,772	44,030,330	43,273,007	19,552,875	10,809,599	31,165,934	7,180,210	5,209,554	1,042,284
Other	62	1,074,280,957	30,483,957	30,104,937	13,666,649	6,244,485	19,051,614	3,920,918	2,961,314	398,556
South America, total	419	2,891,237,764	76,252,040	74,073,087	33,148,294	17,157,235	53,365,993	12,025,678	8,717,779	2,047,847
Argentina	264	2,526,675,570	63,912,044	62,209,926	27,876,255	14,947,212	47,084,125	10,472,718	7,668,763	1,896,694
Bolivia	85	1,590,310,443	33,745,569	32,476,201	14,665,370	9,114,069	28,304,601	7,212,306	3,437,109	1,158,346
Brazil	307	2,680,680,659	64,321,811	62,311,425	27,940,050	14,955,143	47,004,693	10,332,829	7,537,757	1,633,417
Chile	164	1,959,392,287	52,740,478	51,336,527	23,064,648	12,802,621	39,522,996	8,913,275	6,515,570	1,572,034
Colombia	206	2,127,526,535	58,934,538	57,705,813	25,889,769	14,248,126	43,784,827	10,336,044	7,118,001	1,792,403
Ecuador	137	1,817,885,343	41,580,930	40,331,629	18,079,610	10,764,432	34,028,911	7,132,635	5,463,928	1,283,015
Paraguay	58	1,150,565,771	29,501,759	28,987,404	13,183,777	8,073,068	23,470,990	5,420,046	3,985,501	917,081
Peru	190	2,235,078,950	54,984,987	53,818,262	24,220,748	13,564,814	41,856,683	9,925,769	6,447,120	1,498,919
Uruguay	83	1,419,408,599	34,850,940	34,233,488	15,526,719	9,470,019	29,147,630	5,806,482	5,264,279	1,172,496
Venezuela	296	2,558,441,936	64,727,378	62,862,236	28,159,461	14,892,943	47,497,985	10,354,796	7,521,531	1,649,820
Other	50	925,124,863	26,715,964	26,458,916	11,933,061	6,986,225	22,075,202	4,226,651	3,923,391	938,063
Latin America not allocable	14	110,679,627	6,526,084	6,463,429	2,937,827	1,833,819	4,301,425	1,719,035	966,642	156,886
Other Western Hemisphere, total	**314**	**2,822,668,338**	**76,315,275**	**74,334,188**	**33,312,377**	**16,113,102**	**48,985,890**	**11,512,064**	**8,049,366**	**2,006,534**
Bahamas	145	2,093,575,395	47,812,822	46,122,949	20,682,666	12,230,710	37,876,098	9,430,577	5,636,954	1,730,761
Bermuda	171	1,751,049,542	53,273,902	51,733,177	23,311,355	13,658,409	40,485,644	9,508,251	7,015,760	1,762,590
Netherlands Antilles	189	2,322,016,337	60,955,756	59,271,587	26,509,014	12,573,989	38,184,875	9,011,876	6,369,335	1,677,704
Other British West Indies	42	964,272,649	19,796,572	19,432,753	8,772,356	4,858,904	14,927,164	3,367,631	2,422,618	645,576
Other	36	569,357,445	21,391,250	20,954,336	9,425,279	6,376,834	17,293,036	5,230,637	2,313,015	1,059,428
Europe, total	**516**	**3,288,599,573**	**99,976,949**	**97,115,948**	**38,969,097**	**17,838,322**	**55,666,492**	**12,346,831**	**9,168,839**	**2,047,829**
Common Market countries, total	495	3,220,447,204	88,905,863	86,160,989	38,541,425	17,766,026	55,297,583	12,264,747	9,162,654	2,034,766
Belgium	234	2,477,677,976	66,086,964	64,242,154	28,814,930	13,619,845	42,742,335	9,060,754	7,090,124	1,497,023
Denmark	137	1,746,233,985	46,291,209	44,991,582	20,134,219	10,939,445	33,801,337	7,117,251	5,686,791	1,065,644
France (including Andorra)	331	2,758,974,950	76,617,848	74,385,947	33,275,737	16,024,681	49,336,507	11,039,239	8,155,347	1,827,539
Greece	132	1,782,412,542	47,964,141	46,892,145	20,991,217	11,446,773	35,284,700	7,678,840	5,590,019	1,008,018
Ireland	140	1,652,215,156	50,939,272	50,158,185	22,637,028	12,899,846	37,826,984	9,589,603	6,650,534	1,754,128
Italy (including San Marino)	283	2,529,532,453	70,878,642	68,901,791	30,850,171	14,847,510	46,230,078	10,103,717	7,648,632	1,727,704
Luxembourg	56	1,150,855,256	21,542,201	21,010,987	9,473,444	6,576,562	19,650,918	4,597,254	3,301,874	874,736
Netherlands	270	2,380,906,704	62,181,739	60,329,399	26,940,064	13,420,568	42,484,143	9,248,602	7,265,444	1,497,177
United Kingdom	426	3,093,738,576	85,303,827	82,829,627	37,083,878	17,605,497	54,302,282	12,134,780	9,103,311	2,033,736
West Germany	306	2,660,183,843	73,668,272	71,552,620	32,002,730	15,466,713	47,815,929	10,397,854	8,276,595	1,855,796
Common Market not allocable	7	60,858,555	647,286	725,116	318,225	91,687	414,637	59,274	70,153	—
Other West European countries, total	377	2,985,421,337	80,304,503	78,040,496	35,001,265	17,018,369	52,595,036	11,950,031	8,682,544	2,047,788
Austria	127	1,526,635,401	38,572,994	37,786,934	16,894,883	9,054,412	29,875,739	5,673,064	5,351,305	1,036,532
Finland	126	1,450,984,833	37,210,182	36,374,266	16,264,134	8,514,727	28,908,409	4,867,411	4,675,050	651,904
Liechtenstein	7	106,775,466	984,372	971,075	424,036	241,016	1,364,678	165,148	79,163	5,774
Monaco	6	329,622,095	2,144,966	2,032,348	890,469	690,503	2,607,356	506,960	153,769	—
Norway	155	1,884,142,175	55,475,482	54,469,548	24,662,953	13,333,959	39,956,200	9,842,806	6,684,136	1,909,922
Portugal	115	1,658,652,214	45,006,692	44,249,025	19,930,841	11,935,903	35,898,549	8,091,258	6,211,327	1,297,247
Spain	255	2,624,535,997	69,509,805	68,034,625	30,505,089	15,135,865	47,083,759	10,589,318	7,625,178	1,794,275
Sweden	164	2,001,857,436	52,723,436	51,328,157	23,049,167	11,729,151	36,750,393	7,418,391	6,334,206	1,206,218
Switzerland	236	2,390,494,272	61,036,133	59,173,921	26,561,670	12,800,270	40,593,796	7,473,864	7,690,964	1,474,538
Turkey	89	1,361,418,522	42,061,936	41,382,803	18,623,187	10,214,170	30,716,417	6,631,514	5,593,088	1,316,727
Other	56	995,018,869	33,464,461	32,907,426	14,858,063	9,144,806	25,511,104	6,458,761	4,160,767	978,656
Not allocable	7	137,243,984	2,209,783	2,163,620	976,684	864,700	2,638,888	320,895	213,924	84,412
East European countries, total	131	1,666,903,467	44,693,480	43,336,656	19,456,683	11,914,246	36,511,935	8,850,889	5,699,268	1,696,615
East Germany	17	233,414,258	7,814,521	7,739,982	3,518,423	1,380,141	6,612,257	539,557	841,749	180
Rumania	35	838,689,483	16,796,881	16,480,244	7,381,760	4,484,061	16,315,783	3,557,912	1,862,122	690,827
Union of Soviet Socialist Republics	56	935,447,370	22,518,738	21,652,482	9,759,045	5,504,718	18,580,115	4,454,745	2,431,349	594,605
Other	109	1,454,833,566	39,547,817	38,787,426	17,485,561	10,608,204	32,031,286	7,633,390	5,008,876	1,209,281
Europe not allocable	23	279,624,901	8,994,401	8,748,261	3,937,251	2,171,171	5,558,207	1,936,153	1,085,698	156,891
Africa, total	**302**	**2,531,465,439**	**75,786,887**	**74,145,350**	**33,353,578**	**16,669,047**	**50,217,969**	**11,837,661**	**8,430,873**	**2,034,808**
North Africa, total	150	2,180,549,823	59,573,523	58,237,543	26,238,783	14,338,899	42,598,549	11,163,424	6,647,321	2,033,298
Algeria	55	1,103,247,086	22,983,722	22,642,666	10,292,995	6,507,261	19,996,742	5,704,415	2,591,409	914,827
Egypt	108	1,791,408,264	50,326,749	49,056,617	22,141,348	12,200,226	36,371,150	8,851,280	6,092,850	1,565,547
Libya	49	966,949,018	32,232,053	31,770,518	14,464,411	9,308,150	25,032,351	7,759,371	4,002,303	1,290,973
Morocco	56	1,174,743,588	33,227,137	32,648,106	14,736,063	9,782,239	26,397,406	8,156,299	4,299,796	1,793,384
Other	69	1,418,132,386	40,087,513	39,427,321	17,771,268	10,660,222	31,599,776	7,854,783	5,233,713	1,499,548
East Africa, total	76	1,279,076,731	40,665,034	40,148,243	18,094,302	11,047,240	31,450,064	8,217,908	4,982,188	1,293,153
Ethiopia	23	697,224,111	23,926,732	23,592,898	10,761,221	6,579,500	17,947,920	4,766,831	2,859,961	633,781
Kenya	52	966,049,454	31,060,167	30,599,742	13,795,907	8,572,466	25,338,658	5,676,469	4,348,328	956,429
Tanzania	17	685,402,068	18,390,502	18,140,379	8,277,848	5,595,834	15,610,093	4,857,726	1,548,860	564,410
Uganda	7	337,729,695	15,190,921	15,097,085	6,912,776	4,500,041	11,483,227	2,848,617	2,174,350	323,077
Other	47	949,154,181	33,863,476	33,455,811	15,215,233	9,955,561	25,733,056	7,557,593	4,457,476	1,208,703

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources							
			Net income (less deficit)	Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Africa — Continued										
West and Central African countries, total	145	1,812,560,336	51,592,581	50,787,009	22,936,116	13,627,254	40,125,323	10,062,725	6,714,179	1,838,962
Gabon	36	679,821,640	19,461,145	19,000,565	8,613,542	6,551,117	17,974,335	5,744,755	2,708,775	1,358,786
Ghana	23	795,798,144	25,383,586	24,971,467	11,411,337	7,901,713	21,993,396	5,705,920	3,920,243	1,134,336
Liberia	64	1,256,197,819	36,128,404	35,461,956	16,157,090	10,592,515	30,586,169	8,272,298	4,724,572	1,814,078
Nigeria	95	1,498,986,098	40,556,505	39,975,469	18,050,734	10,770,727	32,196,856	8,201,787	5,084,119	1,602,720
Zaire	41	804,731,915	29,383,891	29,016,431	13,242,868	8,366,869	23,356,907	6,074,270	3,866,675	1,113,958
Other	90	1,411,316,891	42,138,479	41,507,674	18,787,084	11,406,098	33,152,356	8,253,326	5,766,651	1,651,333
Southern Africa, total	240	1,981,160,241	55,036,680	53,771,551	24,041,071	12,430,997	38,612,856	7,773,917	6,714,023	1,145,686
Malawi	11	300,253,028	11,789,205	11,842,945	5,325,589	3,374,702	9,117,034	2,151,393	1,341,791	323,112
South Africa (includes Namibia)	228	1,859,299,374	52,311,306	51,082,966	22,836,982	11,587,626	35,139,133	7,418,248	6,470,442	1,145,686
Zambia	27	847,527,200	15,531,346	15,279,484	6,842,537	4,575,897	15,705,001	2,979,153	1,942,546	323,292
Zimbabwe	38	905,270,744	20,039,345	19,772,201	8,935,792	5,128,426	14,688,549	2,976,277	2,339,619	351,940
Other	19	452,670,485	9,040,119	8,867,748	3,991,963	2,884,750	8,630,927	3,169,582	589,291	479,997
Africa not allocable	15	222,221,905	3,701,088	3,576,920	1,600,087	1,127,177	3,642,114	1,340,932	248,532	156,886
Asia, total	**497**	**3,265,158,194**	**89,591,261**	**86,850,467**	**38,957,757**	**17,876,141**	**55,600,626**	**12,608,600**	**9,051,311**	**2,063,129**
Middle East, total	278	2,487,973,861	69,609,206	67,456,611	30,261,232	15,322,380	47,308,582	11,063,222	7,658,487	1,917,286
Bahrain	56	1,286,799,494	28,515,264	28,017,458	12,727,254	8,012,623	24,827,126	6,062,853	4,117,936	986,700
Iran	58	987,606,136	35,925,386	35,401,185	16,078,044	9,535,258	26,677,712	7,455,829	4,745,604	1,564,423
Iraq	35	900,879,758	22,988,384	22,493,205	10,165,230	7,002,352	19,515,148	4,725,088	3,034,990	874,736
Israel	151	1,794,325,559	39,660,094	38,313,704	17,169,868	8,575,802	29,125,844	6,022,453	3,776,753	601,555
Kuwait	78	1,448,110,409	37,371,895	36,833,955	16,591,930	8,175,248	25,497,480	5,387,749	4,154,429	875,137
Lebanon	55	1,113,253,703	29,108,801	28,626,270	12,911,982	7,316,294	22,242,282	4,727,817	4,129,830	799,547
Qatar	34	936,734,866	23,525,101	22,781,216	10,338,056	6,156,086	18,723,507	4,107,393	3,302,855	646,269
Saudi Arabia	162	1,600,640,553	51,854,264	50,422,521	22,647,835	11,820,717	35,759,800	8,866,525	5,922,178	1,578,644
United Arab Emirates	91	1,563,937,330	38,970,923	37,771,832	17,120,197	9,779,034	29,716,500	7,298,834	4,935,913	1,256,240
Other areas of Arabian peninsula	44	1,117,391,159	28,531,378	28,085,021	12,757,417	7,839,461	21,921,957	5,463,707	3,308,134	659,955
Other	73	1,270,148,084	32,930,120	32,267,366	14,450,298	8,196,660	25,915,749	5,433,320	3,728,068	485,924
Southern and Southeastern Asia, total	340	2,736,377,533	72,762,221	70,586,347	31,648,257	16,452,204	51,316,549	11,339,636	8,570,338	1,953,481
Bangladesh	23	403,506,762	17,942,973	17,716,072	8,096,157	3,482,377	9,943,960	1,979,124	2,387,015	419,960
India	145	1,676,852,942	47,869,767	46,475,057	20,847,427	12,310,603	37,309,618	8,382,939	6,383,665	1,404,840
Indonesia	152	1,987,896,079	53,248,627	52,265,566	23,599,887	14,209,968	42,129,830	10,504,582	6,989,359	1,847,555
Malaysia	131	1,582,322,055	44,817,973	44,094,265	19,917,141	11,002,994	33,509,523	7,081,884	5,705,612	1,209,561
Pakistan	75	1,302,931,756	38,718,191	37,985,330	17,262,899	11,337,516	31,132,891	8,365,410	5,269,263	1,268,559
Philippines	223	2,426,621,105	63,970,065	62,099,954	27,906,831	14,817,948	46,018,453	10,595,963	7,471,510	1,792,561
Singapore	199	2,130,240,085	55,347,262	54,347,895	24,470,609	13,266,722	41,630,526	9,211,641	6,783,872	1,525,840
Sri Lanka	43	1,059,616,450	24,776,938	24,389,655	11,106,961	7,238,921	21,894,553	4,694,260	3,713,024	815,423
Thailand	144	1,835,855,641	48,631,859	47,413,098	21,377,123	12,094,039	37,497,472	8,367,287	5,746,579	1,138,395
Vietnam	8	298,999,305	8,191,082	8,066,710	3,685,389	2,699,540	7,247,140	2,485,940	1,200,354	407,485
Other	38	841,483,584	25,381,674	24,914,480	11,312,580	7,305,647	19,881,713	4,838,718	4,128,479	847,660
Eastern Asia, total	441	3,134,892,667	85,117,650	82,715,757	37,098,067	17,055,272	53,122,299	11,981,645	8,681,597	2,003,664
China	91	1,415,885,845	42,725,540	41,585,034	18,749,599	11,257,661	32,536,616	8,747,332	4,846,269	1,424,101
Hong Kong	198	2,225,491,346	56,791,719	55,226,031	24,769,490	13,476,339	42,446,343	9,506,956	6,568,740	1,476,133
Japan	410	3,041,875,762	83,048,430	80,701,752	36,185,426	16,692,243	51,347,582	11,746,094	8,516,479	1,986,560
South Korea, Republic of	169	2,112,224,205	54,508,468	52,966,194	23,786,601	12,410,310	38,799,733	8,723,772	6,229,440	1,654,230
Taiwan	170	2,079,090,051	55,351,327	54,184,731	24,430,095	12,705,732	39,511,003	9,140,808	6,075,099	1,548,330
Other	14	78,149,085	1,230,904	1,007,823	435,105	202,290	902,856	96,568	114,003	
Asia not allocable	11	89,126,539	3,094,455	2,946,208	1,329,789	1,196,380	2,986,056	1,258,279	521,051	191,379
Oceania, total	**390**	**3,010,725,774**	**81,887,334**	**79,697,191**	**35,689,550**	**16,514,871**	**51,426,264**	**11,233,424**	**8,735,201**	**1,833,474**
Australia	368	2,963,095,333	80,023,684	77,880,257	34,926,914	16,298,629	50,508,739	11,142,272	8,606,181	1,833,474
New Zealand	185	1,810,715,262	56,521,554	55,440,671	24,765,560	13,481,507	40,552,711	9,369,309	6,666,196	1,596,200
Other	54	1,022,921,400	31,157,234	30,743,835	13,991,618	8,569,334	24,068,399	6,164,398	3,893,908	956,474
Puerto Rico and U.S. Possessions, total	**273**	**2,452,779,882**	**68,185,724**	**65,841,583**	**29,500,288**	**13,396,919**	**41,514,857**	**8,244,547**	**7,808,207**	**1,412,330**
Puerto Rico	253	2,369,393,857	66,143,646	63,926,230	28,633,346	13,046,726	40,285,802	8,045,913	7,436,893	1,412,330
U.S. possessions, total[2]	99	1,712,675,809	44,890,963	43,578,968	19,697,095	9,652,663	28,392,934	6,397,595	4,919,063	962,330
American Samoa	12	116,630,749	7,348,640	7,303,964	3,321,626	1,277,533	4,359,794	477,281	822,648	
Guam	50	1,196,844,906	30,594,727	30,248,454	13,736,361	5,994,249	18,209,224	3,853,963	2,827,830	323,630
Virgin Islands, U.S.	75	1,531,945,164	38,068,333	36,800,810	16,664,039	8,675,476	24,742,276	5,879,754	4,425,597	961,850
Country not stated	**375**	**2,877,105,039**	**78,320,971**	**76,088,075**	**34,175,532**	**16,510,777**	**49,529,056**	**11,821,152**	**8,422,326**	**2,014,500**
DISC dividends	**67**	**455,284,589**	**20,861,271**	**20,649,377**	**9,342,679**	**4,894,602**	**13,295,980**	**3,474,109**	**1,972,706**	**643,200**
OPEC countries (included above)	**362**	**2,873,272,191**	**78,164,021**	**76,135,575**	**34,185,016**	**16,938,126**	**52,850,686**	**12,337,987**	**8,355,084**	**2,048,700**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from all sources — Continued			Income and taxes from specific geographic area or country					
		Foreign tax credit computed		Gross income excluding branch operations and specially allocable income (less loss)					
	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	Total	Dividends	Dividend gross-up	Interest	Rents, royalties, and license fees	Service income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
All geographic areas, total	17,260,155	18,225,146	1,345	82,044,276	17,799,107	9,252,842	19,936,835	9,530,089	8,213,038
Canada	4,157,639	17,545,797	1,345	7,883,318	2,001,027	1,430,061	1,737,089	724,631	369,084
Latin America, total	4,216,742	17,698,407	1,345	13,151,593	2,450,319	1,046,002	5,305,700	510,999	901,610
Mexico	3,820,911	15,844,790	1,345	2,832,993	397,066	312,267	1,707,639	168,593	249,304
Central America, total	2,716,572	14,416,377	1,252	1,655,961	829,823	228,293	330,927	61,894	94,126
Belize	855,077	3,618,188	10	558	342	92	75	42	22
Costa Rica	1,179,210	9,190,303	715	28,153	1,381	1,024	15,763	4,289	702
El Salvador	1,309,132	7,662,610	23	15,754	2,310	330	3,131	1,886	446
Guatemala	2,279,575	11,314,246	1,017	153,045	16,548	1,197	18,677	5,674	70,463
Honduras	1,730,661	9,315,370	12	13,056	2,123	439	18,892	1,592	3,234
Nicaragua	1,703,703	7,960,570	23	21,453	1,904	—	12,067	674	406
Panama (including Canal Zone)	2,094,928	12,531,870	1,229	1,423,758	805,216	225,212	266,503	47,800	18,954
Not allocable	9	231,492	—	182	—	—	—	136	(1)
Caribbean countries, total	3,731,575	14,456,368	1,255	2,195,898	130,112	7,334	628,337	22,632	101,893
Cayman Islands	1,349,941	8,376,855	706	686,846	85,873	1,314	569,908	680	27,334
Dominican Republic	1,990,287	8,244,192	952	68,968	5,906	589	14,815	4,166	28,369
Haiti	1,389,628	7,264,920	13	4,058	770	91	199	290	3,596
Jamaica	1,822,866	10,103,228	1,246	26,542	4,348	1,883	3,177	3,133	5,731
Trinidad and Tobago	3,426,537	10,821,365	720	1,350,255	21,274	2,962	10,360	4,245	35,382
Other	971,984	6,244,497	12	59,229	11,929	515	29,879	10,117	1,501
South America, total	4,051,338	17,170,501	1,345	6,430,420	1,093,318	498,106	2,608,576	237,837	456,235
Argentina	2,750,432	14,960,151	1,019	798,907	86,910	5,233	428,605	48,324	32,862
Bolivia	3,279,917	9,114,092	23	106,458	313	143	17,031	822	7,474
Brazil	3,778,936	14,967,297	1,107	2,027,888	457,218	271,533	1,070,890	73,331	92,234
Chile	2,502,817	12,815,537	997	382,834	51,834	28,799	249,269	20,559	24,970
Colombia	3,674,357	14,260,280	1,109	545,932	102,398	22,184	113,804	22,486	68,130
Ecuador	2,215,553	10,765,164	723	399,126	35,173	1,636	100,578	7,877	8,141
Paraguay	2,698,256	8,073,090	23	23,236	556	280	19,217	861	300
Peru	3,755,351	13,577,075	1,214	832,272	10,378	10,241	112,425	11,051	37,381
Uruguay	1,686,281	9,470,740	721	46,745	9,827	3,645	26,089	4,793	1,672
Venezuela	3,662,231	14,905,099	1,108	1,246,298	335,672	154,411	468,373	46,611	153,995
Other	1,105,338	6,997,282	10	20,724	3,039	—	2,293	1,123	9,074
Latin America not allocable	1,483	1,833,819	—	36,322	—	—	30,220	42	52
Other Western Hemisphere, total	4,122,332	16,126,266	1,253	3,585,601	1,631,019	159,155	1,838,181	77,927	42,512
Bahamas	3,709,017	12,230,969	259	1,695,222	152,647	38,194	1,454,639	54,936	195
Bermuda	2,877,557	13,671,572	1,252	687,526	569,690	2,933	74,792	13,242	452
Netherlands Antilles	3,269,116	12,585,342	307	1,147,022	905,889	116,730	84,303	6,112	19,521
Other British West Indies	493,349	4,869,973	23	20,278	34	2	15,026	2,975	2,163
Other	2,018,659	6,376,844	10	35,552	2,750	1,297	9,419	661	20,182
Europe, total	4,258,808	17,851,588	1,345	28,774,692	6,939,247	4,067,847	8,596,163	5,[illegible]393	2,399,914
Common Market countries, total	4,246,919	17,779,292	1,345	22,697,487	5,927,770	3,696,399	5,021,734	3,098,391	1,701,053
Belgium	2,655,462	13,632,602	1,043	808,873	122,158	98,412	282,771	128,677	98,229
Denmark	1,939,160	10,940,788	1,343	217,063	37,606	15,596	61,621	48,152	8,090
France (including Andorra)	3,917,542	16,037,938	1,345	2,188,603	445,368	355,467	511,194	714,563	102,048
Greece	2,423,995	11,447,770	997	365,540	11,726	5,438	81,458	16,877	225,805
Ireland	2,812,727	12,911,712	810	241,065	20,185	3,286	38,998	41,061	123,481
Italy (including San Marino)	2,713,929	14,859,649	1,092	1,317,452	320,181	175,114	294,378	363,365	133,402
Luxembourg	1,786,121	6,576,863	300	127,215	20,031	13,293	82,110	6,144	1,175
Netherlands	2,023,668	13,433,523	1,044	2,580,752	988,830	716,164	208,073	202,031	80,110
United Kingdom	4,239,409	17,618,763	1,345	11,982,888	2,994,245	1,565,358	3,099,642	927,415	609,239
West Germany	2,841,531	15,479,969	1,345	2,856,439	966,799	747,872	351,627	650,111	119,377
Common Market not allocable	14,414	102,734	—	11,597	643	399	9,862	595	97
Other West European countries, total	4,060,323	17,031,635	1,345	5,639,060	1,011,198	371,434	1,329,686	1,965,045	589,750
Austria	883,981	9,055,130	718	217,745	31,812	33,991	97,705	46,070	7,068
Finland	1,456,869	8,525,799	25	99,225	18,119	9,298	28,655	37,769	2,401
Liechtenstein	31,487	241,016	—	22,325	16,447	5,138	591	149	—
Monaco	69,451	690,515	12	3,000	—	—	1,454	288	1,259
Norway	2,712,858	13,345,037	22	2,290,610	32,509	18,615	473,355	1,532,792	118,514
Portugal	3,149,950	11,936,898	995	105,713	21,369	14,218	34,825	20,029	8,354
Spain	3,742,352	15,148,749	973	784,117	208,570	79,319	173,931	112,024	168,830
Sweden	2,150,012	11,742,152	1,090	396,710	57,526	37,307	158,640	95,854	40,497
Switzerland	2,281,233	12,813,496	1,315	1,218,791	622,347	172,837	112,463	114,113	45,439
Turkey	1,695,976	10,214,558	388	142,682	2,230	2,523	52,056	4,895	22,873
Other	2,097,086	9,155,877	23	-9,674	268	189	2,152	195	407
Not allocable	501,236	864,700	—	367,816	—	—	193,859	868	174,110
East European countries, total	3,203,783	11,914,268	23	339,319	—	—	165,375	18,349	109,001
East Germany	30,518	1,380,151	10	30,230	—	—	16,572	3,809	168
Rumania	487,321	4,484,083	22	12,346	—	—	3,787	2,076	3,366
Union of Soviet Socialist Republics	350,207	5,504,728	10	22,301	—	—	12,434	4,698	469
Other	2,863,688	10,608,227	22	274,443	—	—	132,582	7,767	104,999
Europe not allocable	108,733	2,171,456	288	98,826	281	13	79,367	3,006	110
Africa, total	4,119,910	16,682,306	1,339	4,724,640	459,873	595,015	392,540	209,666	823,541
North Africa, total	3,925,659	14,350,256	301	2,451,991	20,534	12,053	112,676	21,773	430,956
Algeria	1,130,680	6,507,304	23	238,541	—	—	24,476	1,236	204,025
Egypt	2,410,611	12,200,259	23	1,605,435	10,571	3,631	55,681	10,018	102,132
Libya	2,579,995	9,319,228	23	584,169	1,582	3,402	4,028	714	41,802
Morocco	2,421,866	9,782,539	300	75,958	741	658	12,658	5,554	51,726
Other	2,346,545	10,671,290	23	-52,113	7,639	4,361	15,834	4,251	31,271
East Africa, total	3,370,929	11,059,001	715	145,267	9,730	11,497	85,437	2,638	24,506
Ethiopia	1,374,681	6,579,522	22	210	72	71	21	57	51
Kenya	1,740,001	8,573,180	715	18,514	2,413	5,025	1,438	1,217	1,474
Tanzania	1,277,339	5,595,848	12	2,208	—	—	151	259	1,689
Uganda	900,154	4,500,053	12	10,859	4,858	5,796	—	—	42
Other	3,262,150	9,967,321	715	113,477	2,387	606	83,827	1,104	21,250

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from all sources — Continued			Income and taxes from specific geographic area or country					
		Foreign tax credit computed		Gross income excluding branch operations and specially allocable income (less loss)					
	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	Total	Dividends	Dividend gross-up	Interest	Rents, royalties, and license fees	Service income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Africa — Continued									
West and Central African countries, total	3,519,617	13,838,611	301	1,517,669	200,752	400,255	103,316	88,051	332,1
Gabon	1,494,044	6,551,130	12	92,632	2,461	1,486	941	6,871	36,4
Ghana	1,738,335	7,901,725	12	18,248	3,665	5,090	4,111	336	5,1
Liberia	3,352,234	10,592,550	23	169,607	109,627	1,432	51,980	3,898	8
Nigeria	2,949,780	10,781,796	23	869,939	61,245	371,744	20,616	34,646	100,7
Zaire	1,523,542	8,369,169	300	56,400	4,466	2,507	8,677	10,738	31,1
Other	2,336,242	11,419,167	22	310,843	19,268	17,996	16,992	29,561	157,8
Southern Africa, total	2,264,188	12,433,200	1,338	603,247	228,857	171,210	90,793	91,097	35,9
Malawi	834,738	3,374,702	—	2,997	1,199	1,436	1	40	2
South Africa (includes Namibia)	1,686,836	11,589,819	1,326	581,536	205,224	151,461	86,467	88,256	34,4
Zambia	1,110,860	4,576,401	704	9,207	2,296	1,419	3,428	1,825	8
Zimbabwe	953,176	5,129,406	982	5,675	18,224	16,059	702	600	3
Other	244,884	2,884,773	22	3,830	1,914	836	196	376	
Africa not allocable	100,044	1,138,223	—	8,466	—	—	318	6,108	
Asia, total	**17,228,841**	**17,889,407**	**1,345**	**16,898,584**	**2,049,404**	**1,675,460**	**2,849,546**	**2,082,053**	**2,316,2**
Middle East, total	15,866,321	15,323,107	718	6,476,479	326,229	18,974	491,317	877,836	678,5
Bahrain	1,135,004	8,012,646	23	191,183	17,409	7,252	112,813	20,079	16,1
Iran	1,642,864	9,535,289	22	16,261	12	—	1,736	112	2
Iraq	2,288,207	7,002,364	12	37,723	175	—	8,758	2,405	4,2
Israel	1,076,258	8,576,526	717	146,219	10,644	3,447	81,998	12,487	6,2
Kuwait	1,800,321	8,175,270	23	133,567	141	—	58,783	3,644	13,3
Lebanon	1,143,969	7,316,316	23	49,595	390	23	25,469	3,364	6
Qatar	505,296	6,156,108	22	10,676	3,559	3,484	2,137	1,676	1
Saudi Arabia	14,730,367	11,620,741	24	5,184,736	289,561	4,029	43,517	812,505	327,1
United Arab Emirates	1,869,899	9,779,066	23	675,234	3,383	142	145,975	18,879	296,1
Other areas of Arabian peninsula	1,924,188	7,639,464	23	16,377	464	55	3,519	1,785	8,6
Other	2,088,473	8,196,682	23	14,889	491	543	6,812	898	3,6
Southern and Southeastern Asia, total	3,933,946	16,485,445	1,321	5,267,465	974,686	988,748	732,510	191,068	1,080,6
Bangladesh	116,845	3,482,377	—	15,523	20	6	3,106	109	12,2
India	2,553,377	12,312,551	1,084	324,400	17,446	19,751	45,448	22,024	210,2
Indonesia	3,789,247	14,222,018	994	3,189,318	741,875	857,348	85,492	31,774	316,3
Malaysia	2,279,236	11,005,087	1,228	145,456	25,764	16,072	27,437	9,443	44,4
Pakistan	3,385,904	11,338,230	715	45,146	4,559	5,222	18,443	848	12,2
Philippines	3,806,229	14,830,311	1,318	631,013	63,190	39,320	220,389	46,728	218,4
Singapore	2,580,917	13,299,082	1,313	544,152	68,411	18,500	272,126	60,329	66,0
Sri Lanka	1,646,117	7,238,944	23	17,387	1,197	1,087	12,101	119	3,4
Thailand	2,514,017	12,096,126	1,223	287,380	52,223	31,443	43,545	18,980	133,4
Vietnam	198,399	2,699,640	—	913	—	—	882	—	
Other	1,143,783	7,305,960	12	66,776	—	—	3,543	715	62,4
Eastern Asia, total	4,202,379	17,068,528	1,345	4,945,623	748,483	667,738	1,617,338	1,013,145	557,4
China	3,491,634	11,257,685	23	38,721	1,372	—	7,470	5,657	25,4
Hong Kong	3,586,335	13,477,059	720	651,866	165,782	22,377	294,822	66,484	81,4
Japan	4,145,891	16,705,498	1,345	3,393,426	540,013	630,988	917,048	885,506	185,4
South Korea, Republic of	2,755,587	12,411,995	820	543,693	19,502	7,772	265,033	27,113	156,4
Taiwan	2,620,798	12,706,725	993	316,032	21,625	6,430	131,982	27,860	108,4
Other	40,840	202,296	8	1,886	189	171	983	524	
Asia not allocable	90,980	1,196,360	—	9,017	6	—	8,381	3	
Oceania, total	**3,923,502**	**16,528,137**	**1,345**	**1,530,883**	**291,183**	**232,928**	**222,283**	**322,202**	**188,**
Australia	3,921,158	16,311,895	1,345	1,379,919	268,916	218,574	197,371	294,131	161,4
New Zealand	3,671,718	13,493,768	1,215	119,627	21,443	14,171	17,949	26,370	11,4
Other	2,131,434	8,580,433	22	31,337	822	183	6,962	1,701	14,4
Puerto Rico and U.S. Possessions, total	**2,280,976**	**13,409,009**	**1,043**	**1,462,142**	**440,640**	**20,734**	**110,923**	**245,172**	**493,**
Puerto Rico	2,224,090	13,058,818	1,043	1,367,205	437,062	20,268	99,726	233,625	437,4
U.S. possessions, total[2]	1,952,802	9,664,425	716	94,937	3,578	466	11,197	11,546	55,0
American Samoa	239	1,277,543	10	296	—	—	56	12	
Guam	990,973	6,006,010	715	26,161	3,014	363	3,145	3,810	8,4
Virgin Islands, U.S.	1,870,231	8,686,548	24	65,404	565	104	6,188	7,724	47,4
Country not stated	**4,160,212**	**16,524,042**	**1,345**	**2,836,562**	**135,789**	**20,010**	**1,084,409**	**272,026**	**678,**
DISC dividends	**1,309,875**	**4,[illegible]6,349**	**700**	**1,396,265**	**1,390,634**	**5,631**	**—**	**—**	
OPEC countries (included above)	**17,006,984**	**16,950,299**	**1,115**	**12,678,240**	**1,474,838**	**1,397,883**	**965,410**	**970,953**	**1,50**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued								
	Gross income excluding branch operations and specially allocable income (less loss) — Continued			Oil and gas extraction gross income (less loss)					
	Net capital gain	Partnership income	Other income	Total	From extraction of oil or gas	From sale of business assets	Dividends from foreign corporations	Includable income of Controlled Foreign Corporations	Partnership income
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
All geographic areas, total	**822,365**	**– 43,055**	**18,543,087**	**25,129,291**	**19,655,089**	**287,155**	**5,183,654**	**55,052**	**– 51,658**
Canada	**369,307**	**– 2,657**	**1,254,796**	**2,174,215**	**1,428,592**	**85,186**	**613,294**	**46,643**	**499**
Latin America, total	**11,729**	**48,471**	**2,876,763**	**2,367,917**	**2,274,667**	**59**	**52,038**	**—**	**41,153**
Mexico	10,747	– 21,001	– 11,622	—	—	—	—	—	—
Central America, total	5,754	3,192	101,951	1	1	—	—	—	—
Belize	– 82	11	57	—	—	—	—	—	—
Costa Rica	– 170	– 19	5,185	—	—	—	—	—	—
El Salvador	—	8	7,643	—	—	—	—	—	—
Guatemala	316	– 133	42,303	1	1	—	—	—	—
Honduras	—	– 16	– 11,006	—	—	—	—	—	—
Nicaragua	50	– 92	6,424	—	—	—	—	—	—
Panama (including Canal Zone)	5,640	3,433	51,300	—	—	—	—	—	—
Not allocable	—	—	44	—	—	—	—	—	—
Caribbean countries, total	– 1,116	651	1,306,054	1,234,027	1,221,885	—	12,142	—	—
Cayman Islands	—	119	1,618	1	1	—	—	—	—
Dominican Republic	– 901	58	18,025	—	—	—	—	—	—
Haiti	(1)	3	– 891	—	—	—	—	—	—
Jamaica	– 182	272	8,201	—	—	—	—	—	—
Trinidad and Tobago	27	205	1,275,819	1,229,016	1,216,875	—	12,142	—	—
Other	—	– 3	5,281	5,009	5,009	—	—	—	—
South America, total	– 3,656	65,629	1,474,372	1,133,889	1,052,781	59	39,896	—	41,153
Argentina	– 286	107	197,151	119,414	119,355	58	—	—	—
Bolivia	12	317	80,345	80,974	80,974	—	—	—	—
Brazil	4,587	5,492	52,602	—	—	—	—	—	—
Chile	– 13,415	7,501	13,317	—	—	—	—	—	—
Colombia	2,142	41,270	153,518	188,080	107,030	—	39,896	—	41,153
Ecuador	– 12	68	245,664	222,981	222,981	—	—	—	—
Paraguay	—	18	2,003	—	—	—	—	—	—
Peru	355	204	650,236	515,877	515,877	—	—	—	—
Uruguay	– 590	29	1,279	—	—	—	—	—	—
Venezuela	3,546	10,633	73,058	6,564	6,563	(1)	—	—	—
Other	4	– 9	5,199	—	—	—	—	—	—
Latin America not allocable	—	—	6,008	—	—	—	—	—	—
Other Western Hemisphere, total	**3,419**	**– 135**	**33,531**	**1,265**	**1,290**	**—**	**—**	**—**	**– 24**
Bahamas	49	– 60	– 5,378	434	434	—	—	—	—
Bermuda	– 24	– 92	26,533	—	—	—	—	—	—
Netherlands Antilles	3,394	25	11,048	831	855	—	—	—	– 24
Other British West Indies	—	– 64	141	—	—	—	—	—	—
Other	—	57	1,187	—	—	—	—	—	—
Europe, total	**125,769**	**– 39,808**	**3,600,167**	**7,682,532**	**5,109,889**	**1,527**	**2,558,457**	**7,876**	**4,782**
Common Market countries, total	106,157	– 6,106	3,151,487	5,212,666	2,638,284	4	2,547,866	7,876	18,534
Belgium	3,996	3,151	71,479	—	—	—	—	—	—
Denmark	53	– 6,178	52,121	46,338	46,338	—	—	—	—
France (including Andorra)	12,852	– 12,452	59,564	3,227	—	—	3,227	—	—
Greece	788	115	23,334	10,708	10,708	—	—	—	—
Ireland	42	– 555	14,567	—	—	—	—	—	—
Italy (including San Marino)	1,854	– 2,534	31,892	1,274	1,274	—	—	—	—
Luxembourg	—	(1)	4,462	—	—	—	—	—	—
Netherlands	13,826	16,469	355,249	1,360,692	396,876	—	939,935	4,092	19,788
United Kingdom	60,695	– 13,042	2,539,335	3,425,006	2,183,017	4	1,239,454	3,784	– 1,254
West Germany	12,250	8,920	– 517	365,322	70	—	365,252	—	—
Common Market not allocable	—	—	1	—	—	—	—	—	—
Other West European countries, total	17,271	– 33,684	388,361	2,469,966	2,471,605	1,523	10,589	—	– 13,752
Austria	7	– 22	1,114	10,589	—	—	10,589	—	—
Finland	7	(1)	2,976	—	—	—	—	—	—
Liechtenstein	—	—	—	—	—	—	—	—	—
Monaco	—	—	—	—	—	—	—	—	—
Norway	2,286	– 13,447	127,985	2,334,726	2,333,203	1,523	—	—	—
Portugal	260	7	6,651	258	258	—	—	—	—
Spain	– 5,307	– 1,140	47,891	106,050	106,050	—	—	—	—
Sweden	1,401	– 3,899	9,384	—	—	—	—	—	—
Switzerland	16,773	– 936	135,456	—	—	—	—	—	—
Turkey	1,838	– 810	57,078	32,094	32,094	1	—	—	– 13,752
Other	—	– 13,737	852	– 13,752	—	—	—	—	—
Not allocable	5	—	– 1,026	—	—	—	—	—	—
East European countries, total	2,341	– 19	44,271	—	—	—	—	—	—
East Germany	—	—	9,681	—	—	—	—	—	—
Rumania	—	6	3,113	—	—	—	—	—	—
Union of Soviet Socialist Republics	1,333	3	3,364	—	—	—	—	—	—
Other	1,008	– 28	28,115	—	—	—	—	—	—
Europe not allocable	—	—	16,047	—	—	—	—	—	—
Africa, total	**– 5,636**	**14,396**	**2,235,244**	**3,834,109**	**3,419,033**	**3,817**	**390,739**	**—**	**20,520**
North Africa, total	– 5,042	– 6	1,859,048	2,201,073	2,201,040	32	—	—	—
Algeria	—	– 46	8,851	2,567	2,567	—	—	—	—
Egypt	– 11,459	44	1,434,816	1,381,736	1,381,736	—	—	—	—
Libya	6,453	– 11	526,200	834,493	834,460	32	—	—	—
Morocco	1	– 21	4,642	4,741	4,741	(1)	—	—	—
Other	– 36	28	115,461	– 22,463	– 22,463	—	—	—	—
East Africa, total	– 13	9	11,463	1	1	—	—	—	—
Ethiopia	—	– 6	– 57	—	—	—	—	—	—
Kenya	(1)	16	6,931	—	—	—	—	—	—
Tanzania	– 13	(1)	121	—	—	—	—	—	—
Uganda	—	—	162	—	—	—	—	—	—
Other	(1)	– 1	4,305	1	1	—	—	—	—

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued								
	Gross income excluding branch operations and specially allocable income (loss) — Continued			Oil and gas extraction gross income (less loss)					
	Net capital gain	Partnership income	Other income	Total	From extraction of oil or gas	From sale of business assets	Dividends from foreign corporations	Includable income of Controlled Foreign Corporations	Partnership income
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Africa — Continued									
West and Central African countries, total	-5,038	13,760	384,440	1,833,035	1,217,992	3,784	390,739	—	20,
Gabon	(1)	2	42,440	82,538	78,754	3,784	—	—	
Ghana	-109	-1	38	—	—	—	—	—	
Liberia	—	-681	2,546	—	—	—	—	—	
Nigeria	-6,400	20,522	266,770	957,769	546,509	—	390,739	—	20,
Zaire	-24	-6,039	4,976	121,084	121,084	—	—	—	
Other	1,496	-43	67,671	471,645	471,645	—	—	—	
Southern Africa, total	4,458	833	-19,710	—	—	—	—	—	
Malawi	—	(1)	89	—	—	—	—	—	
South Africa (includes Namibia)	4,458	581	10,631	—	—	—	—	—	
Zambia	—	(1)	-587	—	—	—	—	—	
Zimbabwe	—	53	-30,329	—	—	—	—	—	
Other	—	-1	486	—	—	—	—	—	
Africa not allocable	—	—	4	—	—	—	—	—	
Asia, total	**179,895**	**-60,866**	**5,606,841**	**6,851,484**	**5,204,876**	**195,537**	**1,569,126**	**532**	**-118,**
Middle East, total	125,083	55,163	3,903,304	2,383,481	2,181,149	195,292	7,039	—	
Bahrain	—	-24	17,506	—	—	—	—	—	
Iran	4,665	79	9,442	—	—	—	—	—	
Iraq	(1)	5	22,121	—	—	—	—	—	
Israel	3,899	21,422	6,182	—	—	—	—	—	
Kuwait	101,793	-70	-44,116	89,575	-105,683	195,258	—	—	
Lebanon	2,562	-86	16,897	—	—	—	—	—	
Qatar	—	-1	-294	7,040	1	—	7,039	—	
Saudi Arabia	12,244	33,926	3,661,769	1,376,245	1,376,245	—	—	—	
United Arab Emirates	121	17	207,926	910,620	910,586	34	—	—	
Other areas of Arabian peninsula	(1)	-24	2,533	—	—	—	—	—	
Other	-1	-81	3,339	—	—	—	—	—	
Southern and Southeastern Asia, total	20,444	-115,059	1,395,034	4,417,097	2,973,353	245	1,562,087	—	-118,
Bangladesh	-38	(1)	213	—	—	—	—	—	
India	5,656	-9	3,765	—	—	—	—	—	
Indonesia	230	-118,221	1,274,626	3,911,741	2,467,434	245	1,562,087	—	-118,
Malaysia	1,099	5,454	15,600	476,710	476,710	—	—	—	
Pakistan	-21	-9	3,986	13,137	13,137	—	—	—	
Philippines	9,226	-1,404	34,900	16,258	16,258	—	—	—	
Singapore	-134	175	58,032	—	—	—	—	—	
Sri Lanka	—	-1,225	661	-564	—	—	—	—	-
Thailand	4,425	172	3,128	—	—	—	—	—	
Vietnam	—	11	—	—	—	—	—	—	
Other	1	-3	123	-186	-186	—	—	—	
Eastern Asia, total	34,368	-970	307,961	50,906	50,374	—	—	532	
China	494	-1,188	-554	-35	-35	—	—	—	
Hong Kong	389	-176	20,435	1,677	1,677	—	—	—	
Japan	31,534	548	202,637	49,264	48,732	—	—	532	
South Korea, Republic of	5,270	-742	82,536	—	—	—	—	—	
Taiwan	-3,318	88	22,906	—	—	—	—	—	
Other	—	—	(1)	—	—	—	—	—	
Asia not allocable	—	—	542	—	—	—	—	—	
Oceania, total	**42,112**	**1,038**	**230,954**	**2,211,329**	**2,210,300**	**1,029**	**—**	**—**	
Australia	19,529	1,662	217,818	2,211,187	2,210,158	1,029	—	—	
New Zealand	22,584	-1,261	6,406	—	—	—	—	—	
Other	(1)	636	6,730	141	141	—	—	—	
Puerto Rico and U.S. Possessions, total	**983**	**876**	**149,731**	**—**	**—**	**—**	**—**	**—**	
Puerto Rico	983	832	137,533	—	—	—	—	—	
U.S. possessions, total[2]	(1)	44	12,199	—	—	—	—	—	
American Samoa	—	2	12	—	—	—	—	—	
Guam	(1)	4	7,665	—	—	—	—	—	
Virgin Islands, U.S.	—	39	3,255	—	—	—	—	—	
Country not stated	**94,787**	**-4,369**	**555,061**	**6,441**	**6,441**	**—**	**—**	**—**	
DISC dividends	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	
OPEC countries (included above)	**122,638**	**-53,098**	**6,294,456**	**6,402,133**	**6,340,417**	**199,354**	**1,959,865**	**—**	**-97**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $230 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued									
	Deductions other than from branch operations and specially allocable income									
	Total	Deductions allocable to specific types of income					Deductions not allocable to specific types of income			
		Total	Rental, royalty, and licensing expenses		Service expenses	Other deductions	Total	Research and development	Interest	General and administrative
			Depreciation, depletion and amortization	Other						
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
All geographic areas, total	**40,983,449**	**25,685,707**	**321,450**	**1,024,989**	**3,697,905**	**20,641,364**	**15,297,741**	**56,911**	**6,238,962**	**1,757,948**
Canada	**2,395,235**	**1,372,402**	**11,742**	**61,351**	**93,935**	**1,205,375**	**1,022,834**	**4,419**	**203,845**	**103,996**
Latin America, total	**7,461,649**	**4,322,877**	**58,291**	**109,368**	**427,148**	**3,728,073**	**3,138,772**	**22,194**	**1,580,312**	**277,988**
Mexico	1,541,667	654,231	32,781	45,908	158,820	416,722	887,456	14,492	460,555	64,902
Central America, total	505,735	258,266	505	3,055	8,660	246,048	247,467	921	81,412	22,408
Belize	133	60	—	15	8	37	73	—	21	5
Costa Rica	19,970	13,763	21	112	347	13,283	6,207	48	1,825	696
El Salvador	10,925	8,403	(1)	43	328	8,032	2,522	4	1,458	443
Guatemala	126,061	76,653	114	340	5,120	71,078	51,408	560	4,528	2,346
Honduras	24,215	9,553	1	30	71	9,451	14,661	7	7,440	2,303
Nicaragua	14,880	7,892	1	11	81	7,799	6,988	7	4,536	928
Panama (including Canal Zone)	307,458	141,887	368	2,504	2,696	136,319	165,571	295	61,605	15,674
Not allocable	94	58	—	—	9	49	37	—	—	14
Caribbean countries, total	1,723,144	1,381,548	4,218	3,501	16,468	1,357,362	341,595	363	105,979	15,499
Cayman Islands	368,748	111,453	105	96	136	111,117	257,294	2	89,195	7,634
Dominican Republic	45,736	16,883	67	100	1,614	15,102	28,853	82	5,688	1,719
Haiti	5,655	3,142	(1)	10	54	3,078	2,513	4	31	-730
Jamaica	10,216	7,248	53	92	162	6,941	2,968	64	1,037	823
Trinidad and Tobago	1,265,294	1,224,946	3,012	272	13,108	1,208,554	40,347	205	3,675	5,785
Other	27,495	17,875	980	2,930	1,395	12,570	9,619	6	6,353	268
South America, total	3,648,976	2,007,418	20,781	56,901	243,180	1,686,556	1,641,558	6,419	923,281	170,979
Argentina	498,287	216,214	817	11,429	13,992	189,975	282,073	1,792	150,599	19,197
Bolivia	43,306	32,385	37	-25	5,678	26,694	10,921	107	7,601	1,997
Brazil	1,073,159	437,966	8,935	29,351	121,366	278,314	635,193	2,090	370,178	62,383
Chile	228,567	100,942	304	1,679	11,926	87,033	127,625	236	67,406	9,792
Colombia	439,491	372,245	7,563	7,377	23,769	333,536	67,247	717	37,007	11,743
Ecuador	200,429	133,543	123	202	1,997	131,222	66,885	39	46,418	10,221
Paraguay	21,251	10,417	23	73	256	10,065	10,834	6	6,153	2,088
Peru	328,044	257,458	214	1,092	4,405	251,747	70,586	352	50,136	6,659
Uruguay	28,756	5,532	189	355	646	4,343	23,224	49	14,910	3,391
Venezuela	775,190	431,745	2,576	5,129	54,428	369,612	343,446	961	170,846	42,988
Other	12,496	8,971	—	240	4,718	4,013	3,525	70	2,029	521
Latin America not allocable	42,107	21,412	7	1	20	21,385	20,695	(1)	9,084	4,201
Other Western Hemisphere, total	**1,671,298**	**340,673**	**1,465**	**15,292**	**41,355**	**282,562**	**1,330,626**	**1,587**	**738,770**	**168,946**
Bahamas	1,137,511	133,259	9	8,676	303	124,271	1,004,251	9	637,483	120,588
Bermuda	137,876	62,084	252	1,223	1,797	58,813	75,792	352	25,688	11,124
Netherlands Antilles	358,060	113,184	1,201	5,239	21,835	84,909	244,876	693	74,183	36,700
Other British West Indies	14,882	11,026	—	—	44	10,982	3,855	(1)	664	299
Other	22,971	21,120	3	154	17,376	3,587	1,851	534	752	256
Europe, total	**12,431,124**	**7,642,936**	**125,470**	**656,094**	**1,295,757**	**5,565,615**	**4,788,188**	**13,341**	**2,028,704**	**709,047**
Common Market countries, total	9,620,378	5,789,210	59,445	280,192	837,840	4,611,732	3,831,168	11,500	1,705,910	625,702
Belgium	466,973	287,218	4,064	6,210	25,403	251,541	179,755	179	88,836	19,676
Denmark	130,038	82,832	309	1,241	4,348	76,934	47,206	126	26,351	6,525
France (including Andorra)	959,360	523,423	15,438	28,098	52,837	427,050	435,937	1,814	194,579	51,687
Greece	313,078	232,995	47	542	174,829	57,577	80,083	401	27,826	9,649
Ireland	183,026	138,710	12	3,636	91,432	43,630	44,316	452	16,192	6,539
Italy (including San Marino)	585,069	289,347	1,990	14,188	25,291	247,878	295,722	605	94,878	22,631
Luxembourg	79,384	10,296	(1)	202	134	9,960	69,088	1,281	39,323	3,284
Netherlands	950,441	689,082	1,523	26,685	52,065	608,809	261,360	573	64,441	72,379
United Kingdom	5,155,584	3,125,595	28,666	174,725	349,665	2,572,538	2,029,989	4,528	1,010,781	348,391
West Germany	789,383	402,817	7,396	24,664	61,758	308,999	386,566	1,537	142,586	84,540
Common Market not allocable	8,042	6,895	—	—	79	6,816	1,147	6	115	400
Other West European countries, total	2,402,051	1,637,238	66,024	374,842	359,401	836,972	764,813	1,830	254,121	66,339
Austria	117,467	43,748	1,003	918	1,534	40,293	73,720	20	47,636	12,168
Finland	53,979	22,754	1,678	2,369	679	18,029	31,224	6	12,832	722
Liechtenstein	3,920	143	—	—	—	143	3,777	14	1,950	1,699
Monaco	10,681	10,256	—	—	74	10,182	425	—	34	13
Norway	804,346	746,396	57,496	356,117	86,320	246,463	57,950	124	21,317	3,594
Portugal	62,173	39,702	209	988	6,464	32,041	22,471	49	14,258	2,331
Spain	331,770	188,094	3,164	5,982	73,527	105,421	143,676	615	61,076	10,937
Sweden	209,348	128,086	810	5,186	17,142	104,948	81,263	133	21,424	4,615
Switzerland	418,759	237,331	1,663	3,150	28,639	203,880	181,428	662	58,567	27,656
Turkey	101,229	56,828	1	86	12,836	43,905	44,401	207	11,242	1,895
Other	2,282	1,102	(1)	46	176	880	1,180	(1)	479	40
Not allocable	286,097	162,799	—	—	132,011	30,788	123,297	—	3,307	670
East European countries, total	317,570	175,717	1	1,060	98,408	76,249	141,853	7	48,168	7,486
East Germany	26,072	20,607	—	4	30	20,573	5,465	—	1,949	858
Rumania	5,643	1,262	—	—	48	1,214	4,382	—	1,833	252
Union of Soviet Socialist Republics	19,548	2,470	—	676	377	1,417	17,079	—	9,951	4,355
Other	266,306	151,378	1	379	97,954	53,044	114,928	7	34,636	2,021
Europe not allocable	91,126	40,771	(1)	(1)	108	40,663	50,355	4	20,504	9,520
Africa, total	**2,257,758**	**1,845,796**	**7,890**	**43,972**	**588,798**	**1,205,036**	**411,962**	**4,146**	**120,497**	**56,032**
North Africa, total	1,124,320	987,501	1,078	4,266	289,729	692,428	136,818	686	49,194	17,723
Algeria	199,323	187,330	—	20	171,658	15,652	11,993	—	5,654	894
Egypt	505,578	427,104	912	1,668	57,937	366,586	78,474	92	21,459	4,599
Libya	258,452	237,314	—	—	17,951	219,363	21,137	564	7,183	6,554
Morocco	59,313	49,167	166	2,054	31,095	15,853	10,146	24	4,770	2,096
Other	101,654	86,586	—	525	11,088	74,974	15,068	6	10,127	3,581
East Africa, total	137,396	116,872	37	134	12,741	103,960	20,524	120	4,018	10,928
Ethiopia	345	233	—	-19	39	213	112	(1)	19	5
Kenya	5,134	1,908	—	17	50	1,390	3,227	13	605	445
Tanzania	12,696	12,068	—	95	74	11,899	628	—	475	41
Uganda	760	26	—	—	26	—	734	—	—	—
Other	118,460	102,637	37	42	12,101	90,458	15,823	106	2,920	10,436

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued									
	Deductions other than from branch operations and specially allocable income									
	Total	Deductions allocable to specific types of income					Deductions not allocable to specific types of income			
		Total	Rental, royalty, and licensing expenses		Service expenses	Other deductions	Total	Research and development	Interest	General and administrative
			Depreciation, depletion and amortization	Other						
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
Africa — Continued										
West and Central African countries, total	797,964	652,788	3,049	32,695	269,720	347,323	145,176	520	33,290	14,137
Gabon	45,059	40,574	—	2,925	15,419	22,230	4,485	34	1,803	621
Ghana	6,597	4,955	—	—	3,383	1,572	1,642	4	754	82
Liberia	73,274	32,925	2,491	37	400	29,997	40,349	20	5,663	3,246
Nigeria	320,412	259,236	558	19,176	83,539	155,963	61,176	46	11,394	7,352
Zaire	54,534	42,387	—	3,233	14,390	24,764	12,147	403	3,747	1,085
Other	298,088	272,710	(1)	7,323	152,589	112,797	25,379	15	9,930	1,751
Southern Africa, total	191,138	61,737	370	3,376	16,671	61,319	109,401	2,819	33,967	13,243
Malawi	779	304	—	—	304	—	474	(1)	(1)	107
South Africa (includes Namibia)	182,182	60,439	370	3,363	16,088	60,618	101,742	2,737	32,434	12,534
Zambia	3,970	341	(1)	3	66	270	3,629	(1)	1,344	215
Zimbabwe	3,621	494	—	3	192	299	3,127	82	104	335
Other	587	158	—	7	19	132	429	—	85	52
Africa not allocable	6,941	6,900	3,357	3,500	37	5	41	—	28	1
Asia, total	**10,203,896**	**7,326,928**	**105,316**	**86,934**	**825,286**	**6,309,392**	**2,876,968**	**7,295**	**1,257,814**	**301,034**
Middle East, total	5,315,265	4,860,847	2,814	8,635	207,212	4,642,186	454,419	590	217,653	28,773
Bahrain	134,140	84,015	—	3	8,741	75,271	50,125	5	30,457	7,662
Iran	7,962	2,462	14	1	151	2,296	5,500	6	756	84
Iraq	16,517	8,569	—	314	700	7,555	7,948	—	4,031	778
Israel	82,246	21,952	166	1,663	1,859	18,244	60,294	3	17,365	2,149
Kuwait	31,472	15,725	91	391	6,332	8,912	15,747	41	6,300	1,339
Lebanon	22,239	8,231	25	73	435	7,699	14,008	8	2,196	733
Qatar	2,876	1,504	—	45	50	1,410	1,372	—	799	243
Saudi Arabia	4,530,636	4,414,540	2,337	5,281	134,350	4,272,572	116,095	435	18,558	7,354
United Arab Emirates	452,644	281,466	143	517	52,216	228,591	171,178	54	130,136	6,641
Other areas of Arabian peninsula	22,706	19,912	38	306	989	18,579	2,794	11	918	505
Other	11,826	2,469	(1)	21	1,391	1,057	9,357	27	6,138	1,265
Southern and Southeastern Asia, total	2,345,776	1,419,860	96,963	30,042	342,988	949,866	925,916	5,159	327,507	85,858
Bangladesh	10,046	8,944	—	—	-274	9,217	1,102	—	924	36
India	227,151	52,098	6	933	25,173	25,984	175,055	394	23,299	7,409
Indonesia	853,951	737,742	85,309	11,122	150,875	490,436	116,210	2,353	73,235	12,663
Malaysia	69,677	37,615	9	256	15,347	22,003	32,062	254	15,387	5,662
Pakistan	33,729	23,002	6	143	1,704	21,149	10,727	2	6,822	1,968
Philippines	402,695	159,402	10,906	13,699	37,487	97,310	243,293	1,252	68,626	17,143
Singapore	410,907	200,192	245	3,308	46,438	150,200	210,716	228	106,532	31,197
Sri Lanka	16,884	9,664	25	37	754	8,848	7,220	6	5,415	942
Thailand	259,499	135,924	441	443	19,948	115,091	123,575	670	26,495	8,179
Vietnam	1,069	253	—	—	15	238	816	—	3	1
Other	60,167	55,026	16	101	45,521	9,388	5,140	(1)	770	658
Eastern Asia, total	2,535,936	1,046,136	5,539	48,257	275,000	717,340	1,489,800	1,546	708,065	184,285
China	31,931	20,061	32	216	9,747	10,067	11,870	389	5,053	2,941
Hong Kong	408,742	166,935	815	2,236	31,385	132,499	241,806	102	131,180	27,742
Japan	1,440,955	553,849	4,414	42,577	67,883	438,974	887,106	793	362,849	119,764
South Korea, Republic of	434,448	224,353	82	1,676	131,070	91,526	210,095	146	140,332	21,753
Taiwan	219,000	80,560	162	1,345	34,900	44,152	138,440	116	68,631	12,073
Other	860	378	34	207	15	122	482	—	21	11
Asia not allocable	6,919	86	(1)	(1)	85	(1)	6,833	—	4,589	2,118
Oceania, total	**698,151**	**475,887**	**3,627**	**21,671**	**101,111**	**349,477**	**222,264**	**1,915**	**56,272**	**31,400**
Australia	624,449	432,923	2,920	20,225	88,906	320,871	191,526	1,584	50,176	27,356
New Zealand	40,947	19,362	181	948	6,177	12,057	21,585	331	4,631	2,894
Other	32,755	23,602	527	498	6,028	16,549	9,153	(1)	1,465	1,150
Puerto Rico and U.S. Possessions, total	**1,220,936**	**693,040**	**1,631**	**1,643**	**105,004**	**584,763**	**527,896**	**33**	**38,268**	**20,615**
Puerto Rico	1,144,496	629,216	1,621	1,534	56,858	569,203	515,280	33	33,546	18,189
U.S. possessions, total[2]	76,440	63,824	10	109	48,146	15,560	12,616	(1)	4,722	2,427
American Samoa	802	793	1	—	80	712	10	—	2	4
Guam	21,317	17,045	5	62	6,370	10,609	4,272	(1)	2,171	1,521
Virgin Islands, U.S.	53,510	45,720	4	(1)	41,678	4,037	7,790	—	2,549	902
Country not stated	**2,421,816**	**1,625,785**	**6,017**	**28,666**	**219,411**	**1,371,691**	**796,031**	**1,979**	**212,824**	**52,901**
DISC dividends	**221,581**	**39,380**	**—**	**—**	**—**	**39,380**	**182,201**	**—**	**1,851**	**35,987**
OPEC countries (included above)	**7,694,924**	**6,751,751**	**91,150**	**45,122**	**689,564**	**5,925,815**	**943,172**	**4,532**	**477,111**	**97,731**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued						
	Deductions from oil and gas extraction income			Taxable income (less loss) before loss recapture			
	Total	Allocable to specific types of income	Not allocable to specific types of income	Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(39)	(40)	(41)	(42)	(43)	(44)	(45)
All geographic areas, total	**7,902,116**	**7,744,002**	**158,114**	**57,058,820**	**14,474,685**	**1,523,325**	**41,060,830**
Canada	**584,907**	**550,840**	**34,067**	**6,438,387**	**455,481**	**494,824**	**5,488,082**
Latin America, total	**1,388,089**	**1,387,425**	**665**	**7,645,800**	**1,872,335**	**83,521**	**5,689,944**
Mexico	—	—	—	1,564,493	227,887	45,299	1,291,306
Central America, total	– 9	– 9	—	1,309,790	157,763	1,802	1,150,225
Belize	—	—	—	– 6,199	– 6,641	17	425
Costa Rica	—	—	—	14,556	5,492	881	8,183
El Salvador	—	—	—	15,720	10,510	381	4,829
Guatemala	—	—	—	29,142	4,030	128	24,984
Honduras	—	—	—	– 10,776	315	66	– 11,157
Nicaragua	– 9	– 9	—	9,120	2,505	42	6,573
Panama (including Canal Zone)	—	—	—	1,258,991	142,404	287	1,116,300
Not allocable	—	—	—	– 763	– 851	—	87
Caribbean countries, total	1,014,973	1,014,934	39	998,404	523,977	1,673	472,754
Cayman Islands	—	—	—	769,074	450,098	877	318,099
Dominican Republic	—	—	—	69,365	45,992	142	23,232
Haiti	—	—	—	9,802	11,353	46	– 1,597
Jamaica	—	—	—	15,718	– 809	201	16,326
Trinidad and Tobago	1,013,431	1,013,392	39	95,542	10,227	354	84,961
Other	1,542	1,542	—	38,904	7,116	54	31,734
South America, total	369,196	368,570	626	3,779,591	963,400	34,747	2,781,444
Argentina	44,391	44,391	—	818,496	510,725	7,150	300,620
Bolivia	23,971	23,590	380	69,109	5,872	84	63,152
Brazil	1,730	1,730	—	1,219,109	251,327	13,053	954,729
Chile	—	—	—	180,300	25,029	1,003	154,268
Colombia	97,306	97,255	51	107,707	– 2,008	3,275	106,441
Ecuador	53,405	53,405	—	204,776	5,153	926	198,697
Paraguay	—	—	—	– 5,019	– 7,132	129	1,984
Peru	145,872	145,696	176	520,548	14,677	1,643	504,228
Uruguay	—	—	—	57,746	39,557	200	17,988
Venezuela	2,522	2,503	19	608,613	130,280	7,225	471,108
Other	—	—	—	– 1,794	– 10,080	58	8,228
Latin America not allocable	3,929	3,929	—	– 6,478	– 692	—	– 5,786
Other Western Hemisphere, total	**331**	**221**	**111**	**3,944,796**	**2,029,412**	**1,082**	**1,914,302**
Bahamas	78	40	37	2,221,983	1,664,129	142	557,712
Bermuda	—	—	—	552,328	2,192	486	549,650
Netherlands Antilles	254	180	73	1,151,587	362,282	362	788,962
Other British West Indies	—	—	—	12,556	7,133	27	5,397
Other	—	—	—	6,343	– 6,304	65	12,582
Europe, total	**1,417,883**	**1,367,421**	**50,461**	**21,702,332**	**5,142,698**	**216,067**	**16,343,567**
Common Market countries, total	940,733	891,391	49,342	17,277,600	4,015,761	184,731	13,077,109
Belgium	—	—	—	409,618	60,934	6,784	341,900
Denmark	31,883	31,883	—	129,722	39,924	2,773	87,025
France (including Andorra)	79	78	(1)	1,577,707	331,812	16,652	1,229,243
Greece	7,671	7,671	—	98,528	45,686	380	52,462
Ireland	—	—	—	123,012	63,754	1,219	58,039
Italy (including San Marino)	—	—	—	907,481	161,247	13,851	732,383
Luxembourg	—	—	—	55,776	7,895	49	47,832
Netherlands	150,476	135,985	14,492	1,692,972	37,604	25,057	1,630,311
United Kingdom	737,118	705,871	31,247	10,244,465	3,353,782	63,380	6,827,304
West Germany	13,506	9,903	3,603	2,035,430	– 86,212	54,586	2,067,056
Common Market not allocable	—	—	—	2,890	– 665	—	3,555
Other West European countries, total	469,269	468,170	1,120	4,324,980	1,052,978	34,993	3,237,009
Austria	142	—	142	113,123	9,084	3,761	100,278
Finland	—	—	—	47,396	1,085	1,064	45,246
Liechtenstein	—	—	—	19,496	920	171	18,405
Monaco	—	—	—	– 87,767	– 80,085	—	– 7,682
Norway	404,789	403,811	978	2,539,854	1,051,961	1,628	1,486,265
Portugal	– 1	– 1	—	50,044	5,616	888	43,541
Spain	34,213	34,213	—	526,048	63,190	10,510	452,347
Sweden	—	—	—	202,603	7,896	7,345	187,361
Switzerland	—	—	—	780,932	– 28,610	9,511	800,032
Turkey	30,211	30,211	—	61,472	19,923	96	41,452
Other	– 64	– 64	—	– 9,941	1,998	18	– 11,956
Not allocable	—	—	—	81,720	—	—	81,720
East European countries, total	—	—	—	98,000	73,956	2,295	21,750
East Germany	—	—	—	6,658	2,298	202	4,158
Rumania	—	—	—	11,210	4,229	278	6,703
Union of Soviet Socialist Republics	—	—	—	40,845	36,734	1,359	2,752
Other	—	—	—	39,287	30,695	455	8,137
Europe not allocable	7,861	7,861	—	1,752	3	– 5,951	7,700
Africa, total	**1,034,472**	**1,013,451**	**21,021**	**3,545,510**	**1,067,029**	**11,600**	**2,466,882**
North Africa, total	627,830	624,181	3,649	1,697,530	364,487	5,372	1,327,672
Algeria	472	252	220	40,227	877	132	39,218
Egypt	292,405	292,396	10	1,150,936	49,721	1,357	1,099,857
Libya	332,627	329,208	3,419	673,972	346,272	1,982	325,717
Morocco	2,162	2,162	—	11,568	– 6,781	1,704	16,645
Other	165	165	—	– 179,173	– 25,604	197	– 153,766
East Africa, total	– 135	– 135	—	15,279	7,314	95	7,871
Ethiopia	—	—	—	2,447	2,541	41	– 135
Kenya	—	—	—	25,504	12,079	46	13,379
Tanzania	—	—	—	– 10,463	25	(1)	– 10,488
Uganda	—	—	—	10,030	– 68	—	10,098
Other	– 135	– 135	—	– 12,239	– 7,263	8	– 4,984

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued						
	Deductions from oil and gas extraction income			Taxable income (less loss) before loss recapture			
	Total	Allocable to specific types of income	Not allocable to specific types of income	Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(39)	(40)	(41)	(42)	(43)	(44)	(45)
Africa — Continued							
West and Central African countries, total	406,776	389,405	17,372	1,369,635	648,396	1,534	719,705
Gabon	14,077	13,328	749	77,301	29,725	4	47,573
Ghana	—	—	—	10,125	– 1,849	324	11,650
Liberia	—	—	—	101,445	5,089	23	96,334
Nigeria	107,009	99,607	7,403	998,774	448,455	792	549,527
Zaire	91,379	89,134	2,245	38,188	36,317	5	1,866
Other	194,311	187,336	6,975	143,801	130,659	387	12,754
Southern Africa, total	—	—	—	483,982	47,274	4,599	412,109
Malawi	—	—	—	2,456	238	(1)	2,218
South Africa (includes Namibia)	—	—	—	440,780	36,847	4,577	399,356
Zambia	—	—	—	11,649	6,404	8	5,237
Zimbabwe	—	—	—	5,386	3,318	14	2,055
Other	—	—	—	3,711	468	—	3,243
Africa not allocable	—	—	—	– 915	– 441	(1)	– 475
Asia, total	**1,815,777**	**1,564,193**	**51,584**	**9,858,462**	**3,136,511**	**227,263**	**6,494,688**
Middle East, total	445,329	428,749	16,580	2,309,173	1,131,138	16,822	1,161,213
Bahrain	—	—	—	49,132	– 8,034	123	57,042
Iran	—	—	—	– 22,275	– 30,605	11	8,319
Iraq	—	—	—	21,913	423	285	21,206
Israel	—	—	—	101,196	34,813	2,410	63,973
Kuwait	—	—	—	129,227	26,832	301	102,094
Lebanon	—	—	—	37,678	10,235	87	27,356
Qatar	18	(1)	18	13,495	5,684	11	7,800
Saudi Arabia	279,008	273,413	5,595	1,126,981	464,839	8,041	654,100
United Arab Emirates	166,365	155,398	10,966	848,317	620,767	4,960	222,589
Other areas of Arabian peninsula	—	—	—	229	6,380	178	– 6,329
Other	– 62	– 62	—	3,281	– 196	414	3,063
Southern and Southeastern Asia, total	1,161,691	1,126,687	35,005	4,991,192	2,049,579	19,925	2,921,688
Bangladesh	—	—	—	6,644	1,146	21	5,477
India	—	—	—	109,806	11,922	635	97,249
Indonesia	851,686	816,681	35,005	3,837,849	1,500,699	1,783	2,335,367
Malaysia	295,185	295,185	—	308,196	230,592	1,825	75,779
Pakistan	7,671	7,671	—	24,253	12,709	127	11,417
Philippines	2,294	2,294	—	323,976	88,237	7,422	228,318
Singapore	—	—	—	377,737	237,686	6,804	133,245
Sri Lanka	842	842	—	1,811	1,285	23	503
Thailand	—	—	—	– 15,622	– 44,697	1,194	27,881
Vietnam	—	—	—	– 760	– 604	—	– 156
Other	4,013	4,013	—	17,302	10,602	91	6,609
Eastern Asia, total	8,757	8,757	—	2,523,176	– 38,758	152,248	2,409,688
China	—	—	—	– 13,222	– 20,709	697	6,790
Hong Kong	—	—	—	365,330	114,015	8,191	243,124
Japan	8,757	8,757	—	1,977,923	– 109,356	134,807	1,952,471
South Korea, Republic of	—	—	—	82,167	– 30,458	3,380	109,245
Taiwan	—	—	—	109,532	7,372	5,126	97,032
Other	—	—	—	1,445	378	41	1,026
Asia not allocable	—	—	—	34,920	– 5,449	38,270	2,098
Oceania, total	**1,837,144**	**1,837,144**	**—**	**1,493,315**	**641,993**	**18,590**	**832,732**
Australia	1,837,144	1,837,144	—	1,411,464	638,994	17,000	755,470
New Zealand	—	—	—	79,942	– 223	1,485	78,680
Other	—	—	—	1,909	3,221	105	– 1,417
Puerto Rico and U.S. Possessions, total	**—**	**—**	**—**	**524,301**	**136,687**	**146,408**	**241,206**
Puerto Rico	—	—	—	439,469	71,566	145,193	222,709
U.S. possessions, total[2]	—	—	—	84,832	65,120	1,215	18,497
American Samoa	—	—	—	244	738	11	– 506
Guam	—	—	—	58,226	52,992	391	4,844
Virgin Islands, U.S.	—	—	—	23,962	11,255	813	11,894
Country not stated	**23,513**	**23,307**	**206**	**731,236**	**– 7,480**	**323,970**	**414,746**
DISC dividends	**—**	**—**	**—**	**1,174,684**	**—**	**—**	**1,174,684**
OPEC countries (included above)	**1,807,189**	**1,743,795**	**63,394**	**8,559,171**	**3,549,403**	**26,452**	**4,983,316**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued									
	Foreign taxes paid or accrued and deemed paid before reduction									
	Total	Paid or accrued								Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on				
			Dividends	Interest	Rents, royalties and license fees	Branch income	Service income	Partnership income	Other income	
	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
All geographic areas, total	**21,997,697**	**12,744,855**	**1,160,557**	**868,965**	**1,156,781**	**5,593,911**	**440,675**	**48,167**	**3,475,798**	**9,252,842**
Canada	**2,469,872**	**1,039,812**	**255,364**	**76,197**	**82,170**	**270,784**	**15,275**	**2,159**	**337,863**	**1,430,061**
Latin America, total	**3,130,580**	**2,084,578**	**241,461**	**608,515**	**78,416**	**461,167**	**72,857**	**8,926**	**613,235**	**1,046,002**
Mexico	768,066	455,799	39,418	213,827	38,287	124,202	21,389	588	18,089	312,267
Central America, total	271,305	43,012	4,974	4,245	3,494	13,815	5,614	3	10,868	228,293
Belize	94	2	—	—	—	—	2	—	—	92
Costa Rica	7,527	6,504	157	413	614	3,605	159	—	1,555	1,024
El Salvador	3,550	3,220	343	45	386	1,344	—	—	1,102	330
Guatemala	16,978	15,781	250	748	604	3,019	5,261	2	5,899	1,197
Honduras	2,199	1,760	216	744	134	120	21	—	524	439
Nicaragua	1,508	1,508	—	13	191	667	43	—	594	—
Panama (including Canal Zone)	239,421	14,209	4,009	2,282	1,536	5,060	127	1	1,194	225,212
Not allocable	29	29	—	—	29	—	—	—	—	—
Caribbean countries, total	178,976	171,642	2,309	4,917	1,966	51,024	1,905	25	109,496	7,334
Cayman Islands	4,464	3,150	—	2,396	754	—	—	—	—	1,314
Dominican Republic	43,061	42,472	415	353	655	36,891	185	4	3,969	589
Haiti	3,419	3,328	11	47	79	950	22	21	2,198	91
Jamaica	7,476	5,613	91	60	296	2,804	124	(1)	2,239	1,863
Trinidad and Tobago	116,110	113,148	1,777	1,976	178	6,660	1,470	(1)	101,086	2,962
Other	4,447	3,932	15	85	4	3,719	104	—	5	515
South America, total	1,909,636	1,411,528	194,760	382,930	34,670	272,126	43,949	8,310	474,782	498,108
Argentina	175,719	170,486	14,615	52,835	5,791	67,933	2,237	2	27,073	5,233
Bolivia	25,096	24,952	139	705	183	772	1,802	6	21,346	143
Brazil	830,636	559,103	125,394	296,927	9,025	104,463	9,893	1,587	11,814	271,533
Chile	55,315	26,516	125	1,928	5,653	15,008	679	2,300	823	28,799
Colombia	90,961	68,777	12,075	63	3,195	29,231	6,639	146	17,428	22,184
Ecuador	178,670	177,032	1,255	118	2,052	2,715	1,589	- 11	169,314	1,638
Paraguay	4,029	3,748	56	531	183	2,970	—	7	2	280
Peru	256,634	246,392	3,586	5,973	1,843	11,773	3,802	—	219,417	10,241
Uruguay	11,837	6,192	- 5	3	950	5,268	253	—	1,723	3,845
Venezuela	277,334	122,923	37,497	23,848	5,795	29,655	16,580	4,273	5,275	154,411
Other	3,406	3,406	24	—	—	2,338	476	—	568	—
Latin America not allocable	2,597	2,597	—	2,597	—	—	—	—	—	—
Other Western Hemisphere, total	**243,033**	**83,878**	**2,144**	**3,302**	**92**	**76,974**	**4**	**7**	**1,355**	**159,155**
Bahamas	40,075	1,882	3	1,995	—	—	—	—	- 117	38,194
Bermuda	3,403	476	414	50	—	—	—	—	11	2,933
Netherlands Antilles	195,629	78,899	1,657	—	—	75,790	4	5	1,442	116,730
Other British West Indies	1,225	1,224	4	—	31	1,180	—	1	8	2
Other	2,694	1,397	66	1,257	60	4	—	—	10	1,297
Europe, total	**7,894,930**	**3,827,083**	**481,604**	**94,659**	**769,568**	**1,482,460**	**49,164**	**9,973**	**939,656**	**4,067,847**
Common Market countries, total	5,562,746	1,866,347	405,704	25,417	54,552	415,263	30,312	9,817	925,282	3,696,399
Belgium	142,212	43,799	16,585	4,608	642	21,385	85	23	401	98,412
Denmark	21,391	5,793	1,835	5	7	3,881	9	5	52	15,598
France (including Andorra)	431,478	76,011	20,428	2,477	24,582	23,061	2,124	1,745	1,624	355,467
Greece	23,566	18,128	4,383	- 7	565	9,097	2,878	—	1,212	5,438
Ireland	10,330	7,044	—	1	141	4,883	2,019	1	—	3,286
Italy (including San Marino)	255,864	80,750	18,111	4,879	23,504	30,534	1,380	167	2,176	175,114
Luxembourg	16,057	2,764	835	2	—	1,928	—	—	—	13,293
Netherlands	863,195	147,031	40,650	401	227	29,283	102	6,567	69,802	716,164
United Kingdom	2,871,028	1,305,670	143,539	12,448	4,295	284,422	21,642	1	839,323	1,565,358
West Germany	927,186	179,294	159,303	604	620	6,790	63	1,308	10,605	747,872
Common Market not allocable	462	63	56	—	—	—	—	—	7	399
Other West European countries, total	2,329,717	1,958,283	75,900	68,714	713,900	1,066,949	18,656	156	14,008	371,434
Austria	40,485	6,495	2,053	390	239	3,747	—	51	14	33,991
Finland	10,273	975	918	35	20	—	—	—	1	9,298
Liechtenstein	5,138	—	—	—	—	—	—	—	—	5,138
Monaco	691	691	—	535	—	156	—	—	—	—
Norway	1,793,807	1,777,192	2,200	56,987	696,939	1,008,649	10,004	(1)	2,414	16,615
Portugal	24,634	10,416	4,475	235	2,656	2,654	353	—	42	14,218
Spain	162,972	83,653	34,263	6,077	13,026	19,197	7,177	(1)	3,913	79,319
Sweden	42,792	5,485	2,527	862	72	1,135	—	—	889	37,307
Switzerland	221,300	48,463	28,815	193	41	17,812	335	102	1,164	172,837
Turkey	26,194	23,671	649	3,399	886	12,391	787	(1)	5,560	2,523
Other	1,432	1,243	—	1	21	1,210	1	2	9	189
Not allocable	—	—	—	—	—	—	—	—	—	—
East European countries, total	2,097	2,097	—	285	1,116	135	196	(1)	366	—
East Germany	697	697	—	—	697	—	—	—	—	—
Rumania	422	422	—	—	304	—	85	(1)	32	—
Union of Soviet Socialist Republics	108	108	—	—	(1)	26	82	—	—	—
Other	870	870	—	285	114	109	29	—	333	—
Europe not allocable	369	356	—	242	—	113	—	—	—	13
Africa, total	**2,460,446**	**1,865,430**	**44,427**	**1,268**	**11,162**	**960,878**	**31,346**	**10,783**	**805,568**	**595,015**
North Africa, total	982,135	970,083	490	116	1,212	278,637	14,531	- 1	675,097	12,053
Algeria	4,322	4,322	—	—	—	196	4,109	—	17	—
Egypt	489,761	486,130	60	91	659	26,845	3,508	(1)	454,967	3,631
Libya	467,431	464,029	—	—	—	242,649	1,921	—	219,458	3,402
Morocco	3,817	3,158	104	22	74	773	2,076	- 1	111	658
Other	16,805	12,444	326	3	479	8,174	2,917	—	544	4,361
East Africa, total	22,308	10,811	1,795	106	329	8,395	153	(1)	33	11,497
Ethiopia	889	818	12	—	10	796	—	—	—	71
Kenya	13,333	8,308	480	106	291	7,389	9	—	33	5,025
Tanzania	28	28	—	—	—	28	—	(1)	—	—
Uganda	6,669	873	729	—	—	—	144	—	—	5,796
Other	1,390	784	574	(1)	28	182	—	—	—	606

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued									
	Foreign taxes paid or accrued and deemed paid before reduction									
	Total	Paid or accrued								Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on				
			Dividends	Interest	Rents, royalties and license fees	Branch income	Service income	Partnership income	Other income	
	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
Africa — Continued										
West and Central African countries, total	1,217,301	817,047	9,598	565	1,041	649,388	16,237	10,569	129,649	400,255
Gabon	45,584	44,097	260	—	—	10,150	2,446	—	31,242	1,486
Ghana	6,726	1,638	687	—	73	876	—	—	—	5,090
Liberia	3,590	2,158	128	22	—	2,003	—	3	3	1,432
Nigeria	857,581	485,838	2,588	442	319	385,029	7,401	10,481	79,578	371,744
Zaire	25,901	23,394	906	2	2	20,604	1,880	—	—	2,507
Other	277,918	259,922	5,029	99	647	230,726	4,510	86	18,826	17,996
Southern Africa, total	238,700	67,490	32,545	480	8,580	24,458	424	214	789	171,210
Malawi	1,594	159	—	—	—	159	—	—	—	1,436
South Africa (includes Namibia)	211,593	60,133	29,339	409	8,568	20,406	407	214	789	151,461
Zambia	4,284	2,865	548	(1)	10	2,290	17	—	—	1,419
Zimbabwe	20,114	4,055	2,406	71	—	1,579	—	(1)	—	16,059
Other	1,114	278	252	—	2	24	—	—	—	836
Africa not allocable	1	1	(1)	1	(1)	—	—	—	—	—
Asia, total	**4,892,189**	**3,216,729**	**83,224**	**51,962**	**128,508**	**1,951,932**	**256,337**	**12,344**	**732,422**	**1,675,460**
Middle East, total	1,386,101	1,367,127	6,689	4,566	7,730	890,814	174,529	4,071	278,727	18,974
Bahrain	7,960	709	—	26	—	—	215	—	468	7,252
Iran	1,522	1,522	—	4	—	500	—	—	1,018	—
Iraq	169	169	—	4	19	105	21	(1)	20	—
Israel	26,573	23,127	2,026	3,097	1,677	10,839	416	3	5,069	3,447
Kuwait	9,016	9,016	—	539	—	8,279	195	—	2	—
Lebanon	1,601	1,578	—	78	123	840	20	13	504	23
Qatar	4,164	680	—	—	2	665	13	—	—	3,484
Saudi Arabia	732,538	728,509	4,637	212	5,738	433,453	23,585	4,055	256,828	4,029
United Arab Emirates	591,451	591,309	—	551	—	431,457	146,796	—	12,504	142
Other areas of Arabian peninsula	4,611	4,556	—	22	2	1,383	3,150	(1)	—	55
Other	6,496	5,954	26	33	169	3,292	119	(1)	2,313	543
Southern and Southeastern Asia, total	2,569,698	1,580,949	31,016	37,615	36,198	952,653	74,102	4,022	445,344	988,748
Bangladesh	2,294	2,288	3	1,668	—	160	457	—	—	6
India	67,564	47,812	4,201	7,119	6,036	20,051	6,868	3	3,534	19,751
Indonesia	2,147,934	1,290,586	2,805	13,688	3,580	844,475	53,068	3,232	369,759	857,348
Malaysia	93,940	77,999	633	52	1,412	12,893	1,452	186	61,240	16,072
Pakistan	17,013	11,791	264	2,989	20	5,382	1,814	60	1,262	5,222
Philippines	113,611	74,292	12,286	9,251	10,340	31,082	5,144	137	6,052	39,320
Singapore	63,083	44,583	467	2,436	10,790	28,764	1,410	280	435	18,500
Sri Lanka	3,279	2,193	272	—	7	1,492	421	1	—	1,087
Thailand	59,339	27,896	10,085	431	4,015	7,183	3,000	122	3,061	31,443
Vietnam	—	—	—	—	—	—	—	—	—	—
Other	1,640	1,640	—	—	—	1,170	469	1	—	—
Eastern Asia, total	936,387	268,649	45,518	9,777	84,579	108,465	7,706	4,251	8,352	667,738
China	1,474	1,474	274	231	468	281	220	—	—	—
Hong Kong	35,829	13,453	87	219	259	11,520	1,159	(1)	209	22,377
Japan	837,086	206,098	38,481	6,439	78,214	67,998	3,584	4,250	7,132	630,988
South Korea, Republic of	31,285	23,513	1,143	891	2,764	17,050	1,223	(1)	441	7,772
Taiwan	30,215	23,785	5,533	1,998	2,833	11,331	1,520	(1)	570	6,430
Other	497	326	(1)	—	41	285	—	—	—	171
Asia not allocable	4	4	—	3	(1)	—	—	—	—	—
Oceania, total	**717,254**	**484,326**	**42,670**	**18,091**	**63,054**	**330,353**	**7,454**	**105**	**24,509**	**232,928**
Australia	680,093	461,520	39,049	15,240	57,760	326,022	7,045	92	16,311	218,574
New Zealand	35,756	21,585	3,536	723	5,234	3,627	177	(1)	8,288	14,171
Other	1,405	1,221	85	128	59	703	233	12	1	183
Puerto Rico and U.S. Possessions, total	**102,638**	**81,904**	**5,368**	**3,124**	**18,087**	**34,822**	**5,778**	**71**	**14,854**	**20,734**
Puerto Rico	93,390	73,122	4,366	3,023	17,507	30,129	5,314	—	12,782	20,268
U.S. possessions, total[2]	9,249	8,782	1,002	101	580	4,492	464	71	2,072	466
American Samoa	1,011	1,011	—	—	—	1,011	—	—	—	—
Guam	2,834	2,471	—	—	—	1,874	39	71	486	363
Virgin Islands, U.S.	5,403	5,300	1,002	101	580	1,607	425	—	1,585	104
Country not stated	**80,842**	**60,833**	**4,013**	**13,846**	**5,724**	**24,741**	**2,459**	**3,900**	**6,250**	**20,010**
DISC dividends	**5,913**	**282**	**282**	**—**	**—**	**—**	**—**	**—**	**—**	**5,631**
OPEC countries (included above)	**5,317,714**	**3,920,031**	**49,042**	**39,387**	**17,505**	**2,389,328**	**257,724**	**22,030**	**1,145,016**	**1,397,683**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued					
	Income and taxes of related foreign corporations and DISC's					
	Gains, profits and income	Taxes paid on gains, profits and income	Dividends paid or constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Dividends paid to related foreign corporations and DISC's by second-tier foreign corporations	Dividends paid to second-tier foreign corporations by third-tier foreign corporations
	(56)	(57)	(58)	(59)	(60)	(61)
All geographic areas, total	**57,903,320**	**20,865,439**	**14,321,801**	**2,208,449**	**2,625,922**	**241,799**
Canada	**6,956,316**	**2,159,325**	**1,868,614**	**816,790**	**760,033**	**60,737**
Latin America, total	**7,333,694**	**2,035,215**	**2,014,907**	**214,877**	**576,941**	**25,920**
Mexico	1,484,875	556,696	392,045	18,531	25,639	—
Central America, total	1,880,102	314,394	754,286	70,456	112,631	13,334
Belize	400	188	100	—	—	—
Costa Rica	3,537	1,475	1,089	251	460	—
El Salvador	3,692	1,047	759	—	—	—
Guatemala	20,806	10,552	2,294	161	239	—
Honduras	4,828	1,027	1,133	224	556	—
Nicaragua	—	—	—	—	—	—
Panama (including Canal Zone)	1,846,838	300,104	749,906	69,820	111,376	13,334
Not allocable	—	—	—	—	—	—
Caribbean countries, total	96,151	18,252	30,558	237	717	—
Cayman Islands	45,153	1,360	22,517	237	717	—
Dominican Republic	22,227	3,660	1,893	—	—	—
Haiti	255	159	55	—	—	—
Jamaica	12,421	5,418	2,442	—	—	—
Trinidad and Tobago	14,899	7,053	3,106	—	—	—
Other	1,196	582	545	—	—	—
South America, total	3,872,567	1,145,873	837,917	125,653	437,955	12,586
Argentina	410,427	29,655	39,020	52	545	—
Bolivia	2,114	663	313	—	—	—
Brazil	2,064,549	628,085	442,751	98,181	393,485	1,438
Chile	142,681	49,744	48,213	317	11,283	—
Colombia	366,443	103,828	48,746	702	2,275	274
Ecuador	51,504	5,293	35,050	—	—	—
Paraguay	1,805	634	518	—	—	—
Peru	80,934	37,303	10,275	2	7	—
Uruguay	29,869	8,474	9,825	71	17	—
Venezuela	722,241	282,195	203,206	26,328	30,343	10,875
Other	—	—	—	—	—	—
Latin America not allocable	—	—	—	—	—	—
Other Western Hemisphere, total	**1,506,832**	**215,395**	**978,592**	**5,713**	**16,261**	—
Bahamas	279,133	75,485	63,611	4,979	13,288	—
Bermuda	128,058	4,397	45,192	437	2,373	—
Netherlands Antilles	1,093,523	123,517	867,035	296	599	—
Other British West Indies	49	11	5	—	—	—
Other	6,068	1,985	2,750	—	—	—
Europe, total	**27,159,264**	**9,434,413**	**6,759,325**	**952,097**	**992,068**	**90,647**
Common Market countries, total	23,527,617	8,659,697	5,782,686	856,979	850,935	84,561
Belgium	599,161	253,530	121,653	6,668	11,966	—
Denmark	146,915	41,223	37,470	(1)	2	—
France (including Andorra)	1,608,030	688,531	430,000	44,442	45,278	2,218
Greece	26,034	8,838	5,765	—	—	—
Ireland	70,694	11,376	16,130	3	314	—
Italy (including San Marino)	1,390,831	436,596	305,763	10,806	42,171	798
Luxembourg	85,389	20,934	18,707	113	233	—
Netherlands	6,000,325	2,602,711	975,772	92,797	139,608	21,416
United Kingdom	8,880,864	2,593,213	2,915,859	635,822	488,394	49,598
West Germany	4,716,302	2,001,857	954,923	65,900	122,477	10,531
Common Market not allocable	3,072	888	643	426	493	—
Other West European countries, total	3,631,353	774,702	976,358	95,118	141,133	6,086
Austria	178,975	80,361	31,799	12,922	22,227	—
Finland	76,449	23,495	18,114	155	154	—
Liechtenstein	23,284	2,064	10,672	8,132	13,390	—
Monaco	—	—	—	—	—	—
Norway	217,925	65,031	32,351	623	689	—
Portugal	67,658	27,061	21,283	—	—	—
Spain	689,054	161,849	208,305	6,050	14,617	—
Sweden	189,231	65,367	50,581	14,403	23,441	4,174
Switzerland	2,148,207	332,081	600,800	52,834	66,614	1,912
Turkey	37,917	16,225	2,185	—	—	—
Other	2,653	1,168	268	—	—	—
Not allocable	—	—	—	—	—	—
East European countries, total	—	—	—	—	—	—
East Germany	—	—	—	—	—	—
Rumania	—	—	—	—	—	—
Union of Soviet Socialist Republics	—	—	—	—	—	—
Other	—	—	—	—	—	—
Europe not allocable	294	13	281	—	—	—
Africa, total	**1,921,271**	**1,104,668**	**348,133**	**18,542**	**28,102**	**6,095**
North Africa, total	108,217	40,306	17,200	140	229	—
Algeria	—	—	—	—	—	—
Egypt	64,782	21,788	7,459	—	—	—
Libya	12,741	8,671	1,582	—	—	—
Morocco	3,046	1,674	575	3	4	—
Other	27,647	8,173	7,584	137	225	—
East Africa, total	56,807	24,928	9,320	—	—	—
Ethiopia	144	71	72	—	—	—
Kenya	30,729	14,945	2,381	—	—	—
Tanzania	—	—	—	—	—	—
Uganda	21,884	8,973	4,858	—	—	—
Other	4,049	938	2,009	—	—	—

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued					
	Income and taxes of related foreign corporations and DISC's					
	Gains, profits and income	Taxes paid on gains, profits and income	Dividends paid or constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Dividends paid to related foreign corporations and DISC's by second-tier foreign corporations	Dividends paid to second-tier foreign corporations by third-tier foreign corporations
	(56)	(57)	(58)	(59)	(60)	(61)
Africa — Continued						
West and Central African countries, total	974,608	722,406	97,147	45	76	
Gabon	4,521	2,290	1,443	—	—	
Ghana	23,675	13,793	3,665	—	—	
Liberia	23,022	2,619	11,175	—	—	
Nigeria	833,903	662,917	59,252	—	—	
Zaire	35,019	15,409	4,466	—	—	
Other	54,468	25,379	17,145	45	76	
Southern Africa, total	781,639	317,028	224,466	18,357	27,797	6,0
Malawi	5,464	2,751	1,199	—	—	
South Africa (includes Namibia)	697,895	284,324	200,860	13,833	23,430	5,8
Zambia	11,758	4,903	2,269	—	—	
Zimbabwe	62,842	24,123	18,224	4,283	4,092	2
Other	3,680	926	1,914	241	275	
Africa not allocable	—	—	—	—	—	
Asia, total	**11,202,908**	**5,427,583**	**1,697,814**	**16,307**	**22,097**	
Middle East, total	283,517	109,191	39,497	3,700	4,428	
Bahrain	27,655	11,669	7,983	2,853	3,491	
Iran	—	—	—	—	—	
Iraq	—	—	—	—	—	
Israel	72,426	23,063	5,717	937	937	
Kuwait	—	—	—	—	—	
Lebanon	376	31	255	—	—	
Qatar	129,371	64,868	3,556	—	—	
Saudi Arabia	38,666	8,329	18,240	—	—	
United Arab Emirates	4,626	223	2,800	—	—	
Other areas of Arabian peninsula	10,115	1,073	463	—	—	
Other	2,083	1,036	483	—	—	
Southern and Southeastern Asia, total	6,422,796	3,302,217	954,221	405	688	
Bangladesh	86	20	20	—	—	
India	185,712	90,035	16,557	—	—	
Indonesia	5,386,216	2,923,011	741,766	—	—	
Malaysia	125,904	46,834	24,738	34	47	
Pakistan	57,639	27,390	4,541	26	21	
Philippines	272,410	99,401	59,994	307	572	
Singapore	193,746	39,660	53,562	34	41	
Sri Lanka	5,191	2,945	1,063	—	—	
Thailand	195,889	72,921	51,959	3	7	
Vietnam	—	—	—	—	—	
Other	—	—	—	—	—	
Eastern Asia, total	4,496,295	2,016,175	704,097	12,112	16,981	
China	—	—	—	—	—	
Hong Kong	538,113	64,304	135,451	1,811	9,206	
Japan	3,676,579	1,877,075	529,509	10,267	7,719	
South Korea, Republic of	207,539	58,179	19,039	—	—	
Taiwan	72,978	16,086	19,918	14	56	
Other	1,086	529	180	—	—	
Asia not allocable	—	—	—	—	—	
Oceania, total	**1,214,873**	**424,681**	**284,708**	**179,922**	**196,836**	**58,**
Australia	1,120,971	388,396	263,297	177,628	193,122	58,
New Zealand	92,635	35,831	21,091	2,294	3,713	
Other	1,266	454	320	—	—	
Puerto Rico and U.S. Possessions, total	**81,818**	**28,743**	**23,265**	—	—	
Puerto Rico	76,816	28,174	19,884	—	—	
U.S. possessions, total[2]	4,802	569	3,381	—	—	
American Samoa	—	—	—	—	—	
Guam	4,331	465	3,014	—	—	
Virgin Islands, U.S.	471	104	366	—	—	
Country not stated	**81,991**	**31,122**	**36,037**	—	—	
DISC dividends	**444,853**	**4,293**	**310,505**	**4,201**	**33,585**	
OPEC countries (included above)	**7,181,991**	**3,955,797**	**1,066,895**	**26,328**	**30,343**	1

Footnotes at end of table.

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Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

(Money amounts are in thousands of dollars)

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued				
	Income and taxes of related foreign corporations and DISC's — Continued				
	Income and taxes of first, second, and third-tier foreign corporations from which constructive distributions were received				
	Gains, profits and income	Taxes paid on gains, profits and income	Dividends constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Taxes deemed paid by domestic corporations
	(62)	(63)	(64)	(65)	(66)
All geographic areas, total	**6,935,635**	**1,652,847**	**3,132,748**	**244,266**	**975,874**
Canada	**284,962**	**82,511**	**97,554**	**69,096**	**89,175**
Latin America, total	**1,102,614**	**221,473**	**379,122**	**60,605**	**186,160**
Mexico	171,112	78,638	72,786	1,812	72,413
Central America, total	685,994	71,104	261,129	57,385	97,218
Belize	—	—	—	—	—
Costa Rica	—	—	—	—	—
El Salvador	—	—	—	—	—
Guatemala	7,976	6,291	102	—	58
Honduras	—	—	—	—	—
Nicaragua	—	—	—	—	—
Panama (including Canal Zone)	678,018	64,813	261,027	57,385	97,160
Not allocable	—	—	—	—	—
Caribbean countries, total	16,901	1,464	5,860	—	790
Cayman Islands	15,522	872	5,876	—	787
Dominican Republic	—	—	—	—	—
Haiti	—	—	—	—	—
Jamaica	1,379	592	4	—	3
Trinidad and Tobago	—	—	—	—	—
Other	—	—	—	—	—
South America, total	228,606	70,267	39,325	1,608	15,739
Argentina	16,169	4,651	84	—	26
Bolivia	—	—	—	—	—
Brazil	127,773	44,840	14,016	—	9,161
Chile	610	382	248	—	382
Colombia	15,092	2,207	4,213	—	83
Ecuador	517	123	2	—	1
Paraguay	—	—	—	—	—
Peru	—	—	—	—	—
Uruguay	525	272	2	—	1
Venezuela	67,819	17,813	20,760	1,608	6,105
Other	—	—	—	—	—
Latin America not allocable	—	—	—	—	—
Other Western Hemisphere, total	**1,326,873**	**178,451**	**691,788**	**5,414**	**133,969**
Bahamas	217,321	73,478	54,609	4,977	34,928
Bermuda	118,358	2,650	37,719	437	1,291
Netherlands Antilles	991,194	102,323	799,351	—	97,749
Other British West Indies	—	—	—	—	—
Other	—	—	—	—	—
Europe, total	**2,795,067**	**634,371**	**1,478,546**	**85,488**	**359,133**
Common Market countries, total	2,207,129	539,609	1,114,124	39,890	261,454
Belgium	175,030	85,357	3,067	149	8,810
Denmark	3,999	1,679	439	—	189
France (including Andorra)	258,786	138,655	49,269	15,806	63,737
Greece	3,667	661	93	—	8
Ireland	21,059	862	4,291	—	214
Italy (including San Marino)	52,946	21,426	11,991	—	8,627
Luxembourg	12,909	4,250	7,056	102	2,836
Netherlands	68,943	22,305	37,518	13,518	26,730
United Kingdom	1,514,660	221,979	984,890	10,314	138,189
West Germany	95,128	42,415	15,500	—	12,115
Common Market not allocable	—	—	—	—	—
Other West European countries, total	587,644	94,749	364,135	45,598	97,666
Austria	6,580	1,409	296	—	355
Finland	—	—	—	—	—
Liechtenstein	23,284	2,064	10,672	8,132	5,138
Monaco	—	—	—	—	—
Norway	—	—	—	—	—
Portugal	965	567	2	—	3
Spain	8,503	2,610	882	—	443
Sweden	1,823	1,039	77	—	6
Switzerland	544,567	85,986	352,075	37,466	91,555
Turkey	1,921	1,075	131	—	166
Other	—	—	—	—	—
Not allocable	—	—	—	—	—
East European countries, total	—	—	—	—	—
East Germany	—	—	—	—	—
Rumania	—	—	—	—	—
Union of Soviet Socialist Republics	—	—	—	—	—
Other	—	—	—	—	—
Europe not allocable	294	13	281	—	13
Africa, total	**75,759**	**29,853**	**8,631**	**457**	**5,029**
North Africa, total	4,544	204	2,230	—	105
Algeria	—	—	—	—	—
Egypt	—	—	—	—	—
Libya	—	—	—	—	—
Morocco	—	—	—	—	—
Other	4,544	204	2,230	—	105
East Africa, total	329	110	1	—	1
Ethiopia	—	—	—	—	—
Kenya	282	96	1	—	1
Tanzania	—	—	—	—	—
Uganda	—	—	—	—	—
Other	47	14	(1)	—	(1)

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH $250 MILLION OR MORE IN TOTAL ASSETS

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

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Country and DISC dividends	Income and taxes from specific geographic area or country — Continued				
	Income and taxes of related foreign corporations and DISC's — Continued				
	Income and taxes of first, second, and third-tier foreign corporations from which constructive distributions were received				
	Gains, profits and income	Taxes paid on gains, profits and income	Dividends constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Taxes deemed paid by domestic corporations
	(62)	(63)	(64)	(65)	(66)
Africa — Continued					
West and Central African countries, total	54,992	23,990	4,055	—	3,48
Gabon	—	—	—	—	-
Ghana	—	—	—	—	-
Liberia	6,442	2,141	1,191	—	1,1
Nigeria	48,550	21,849	2,874	—	2,3
Zaire	—	—	—	—	-
Other	—	—	—	—	-
Southern Africa, total	15,894	5,549	2,344	457	1,4
Malawi	—	—	—	—	-
South Africa (includes Namibia)	12,176	4,471	788	136	7
Zambia	577	279	2	—	
Zimbabwe	1,095	354	63	80	
Other	2,043	445	1,512	241	6
Africa not allocable	—	—	—	—	-
Asia, total	**1,152,360**	**436,029**	**247,714**	**6,299**	**182,2**
Middle East, total	38,672	12,526	10,904	2,853	7,7
Bahrain	27,655	11,669	7,983	2,853	7,2
Iran	—	—	—	—	-
Iraq	—	—	—	—	-
Israel	2,162	300	150	—	
Kuwait	—	—	—	—	-
Lebanon	375	31	255	—	
Qatar	—	—	—	—	-
Saudi Arabia	8,480	495	2,516	—	4
United Arab Emirates	—	—	—	—	-
Other areas of Arabian peninsula	—	—	—	—	-
Other	—	—	—	—	-
Southern and Southeastern Asia, total	124,405	22,193	16,941	—	2,2
Bangladesh	—	—	—	—	-
India	9,296	5,832	869	—	6
Indonesia	1,603	964	34	—	
Malaysia	1,696	747	65	—	
Pakistan	456	149	8	—	
Philippines	23,318	8,521	807	—	3
Singapore	81,850	3,705	14,711	—	1
Sri Lanka	—	—	—	—	-
Thailand	6,186	2,675	435	—	3
Vietnam	—	—	—	—	-
Other	—	—	—	—	-
Eastern Asia, total	989,283	401,309	219,870	3,447	172,2
China	—	—	—	—	-
Hong Kong	123,874	13,486	41,963	—	6,0
Japan	864,833	387,691	177,884	3,447	165,5
South Korea, Republic of	—	—	—	—	-
Taiwan	577	131	3	—	
Other	—	—	—	—	-
Asia not allocable	—	—	—	—	-
Oceania, total	**136,333**	**48,891**	**17,241**	**16,906**	**14,**
Australia	136,600	48,002	17,236	16,906	14,
New Zealand	1,733	800	5	—	
Other	—	—	—	—	-
Puerto Rico and U.S. Possessions, total	**17,400**	**4,261**	**1,838**	**—**	**1,**
Puerto Rico	17,181	4,244	1,635	—	1,
U.S. possessions, total[2]	219	17	202	—	
American Samoa	—	—	—	—	-
Guam	—	—	—	—	-
Virgin Islands, U.S.	219	17	202	—	
Country not stated	**42,264**	**17,096**	**10,340**	**—**	**5,**
DISC dividends	—	—	—	—	-
OPEC countries (included above)	**126,968**	**40,844**	**26,187**	**1,806**	**8,**

[1]Less than $500.
[2]Includes "Other U.S. Possessions" which is not shown separately.
NOTE: The data in columns 1-13 pertain to the total activity of the domestic parent corporation. Since many corporations received income from or paid taxes to more than one country, the data in these columns are not additive. The data in the remaining columns are additive except for small differences due to rounding.

Interest Income and Deductions on Individual Income Tax Returns, 1968-1984

By Paul E. Grayson*

Interest rates figure prominently in the general public's consciousness of the economy. Interest rates and their variation are of particular concern to home builders and buyers on the one hand, and investors on the other; in other words, interest as a cost and interest as an income source. Interest plays both of these roles on the individual income tax return.

While average interest income per return and average interest deductions appeared to increase steadily throughout the 1968-84 period, their rates of increase were subject to significant year-to-year fluctuations. In the case of average interest income, the primary source of annual variation was the fluctuation in rates of interest paid on debt instruments. In the case of the average interest deduction, the primary cause of variation was the number of returns claiming the interest deduction (ID returns), the average increasing more when the number of ID returns fell, and vice versa. Large year-to-year declines in the number of ID returns were associated with declines in the number of returns with itemized deductions; these, in turn, reflected such changes in the tax law as the increased amounts allowed under the standard deduction and its successor, the zero bracket amount.

Before 1979, taxpayers with smaller-than-average interest deductions appear to have dominated the occasional itemizer group, which generally did not include mortgage-paying homeowners. During most of the post-1979 period, the decline in the housing market, in part brought on by high interest rates, reduced the relative frequency of returns claiming the home mortgage interest (HMI) deduction and, therefore, the relative frequency of ID returns among all returns with itemized deductions.

This article traces the reporting of interest on tax returns during the 17-year period, 1968-84, both as interest income and as interest payments claimed as itemized deductions [1]. The analysis also explores some of the factors affecting the frequency of reporting and the amounts reported.

INTEREST AS INCOME

Turning to interest income first, one finds that the interest proportion of adjusted gross income (AGI) more than doubled during the generally inflationary years between 1968 and 1984, from 3 percent to over 8 percent; see the bottom part of Figure A [2]. Figure A also shows that this growth, in turn, reflected the relative frequency of interest reporting and the average amount reported. This is also shown in Table 1.

While the total number of returns filed increased during the period, from about 74 million to nearly 100 million, the number with interest income grew even faster, from 42 percent of all returns for 1968 to 62 percent for 1984. Similarly, average interest income per return grew at more than double the rate of increase in average AGI.

As shown in Figure A, during most of the study period the trend for average interest income--as for the other trends mentioned--appeared to to be upward and gradual until after 1978 (discussed later on). However, there were noticeable exceptions to the trend which are clearly evidenced in Figure B by the percentage differences from the previous year.

Figure B shows that percentage increases in average interest income moved through six periods:

- 1969 to 1972--declining percentage increases;
- 1972 to 1974--increasing increases;
- 1974 to 1976--declining increases;
- 1976 to 1981--increasing increases;
- 1981 to 1983--declining increases, (leading to the decrease in average interest income evidenced in Figure A), followed by

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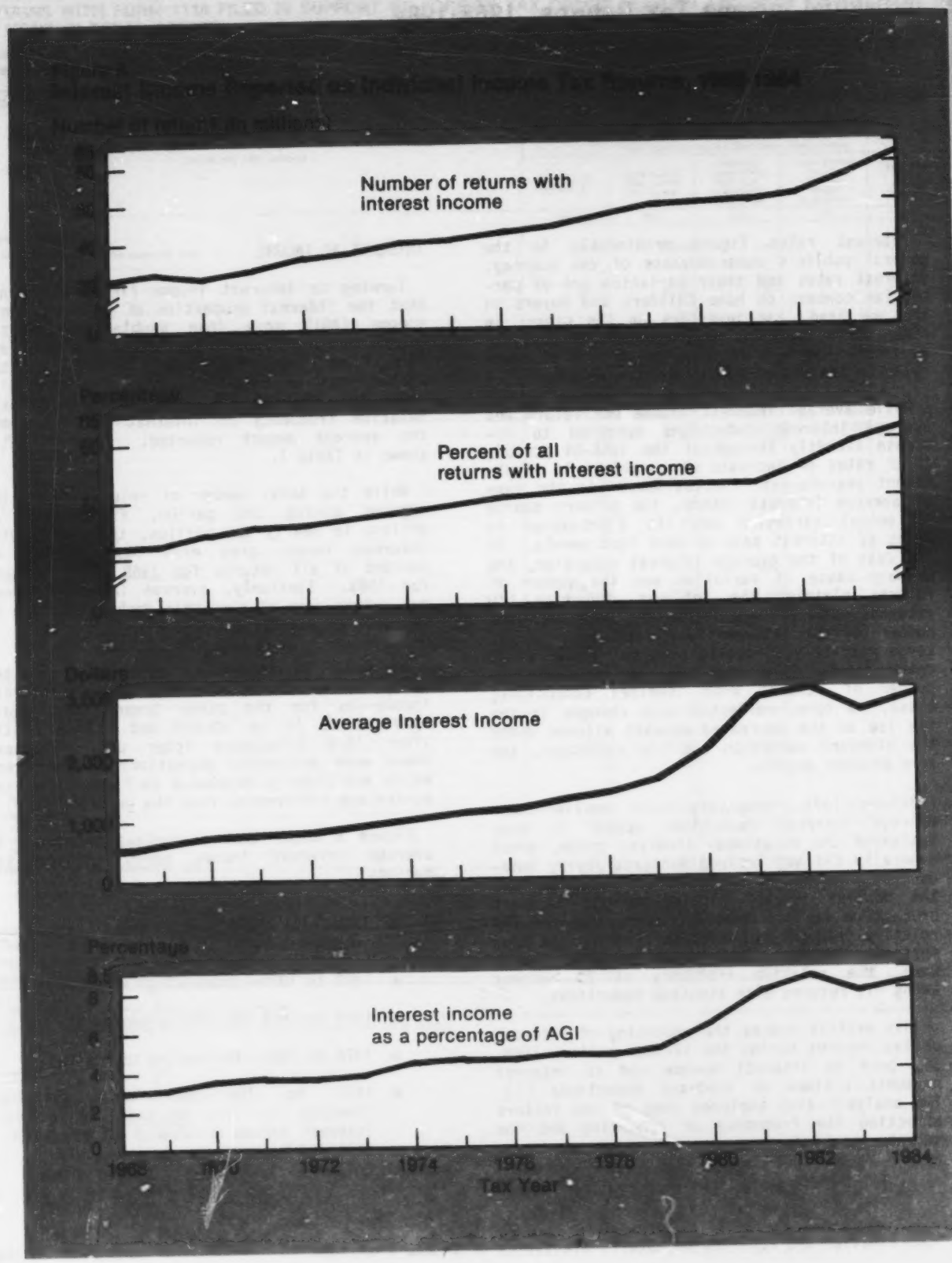
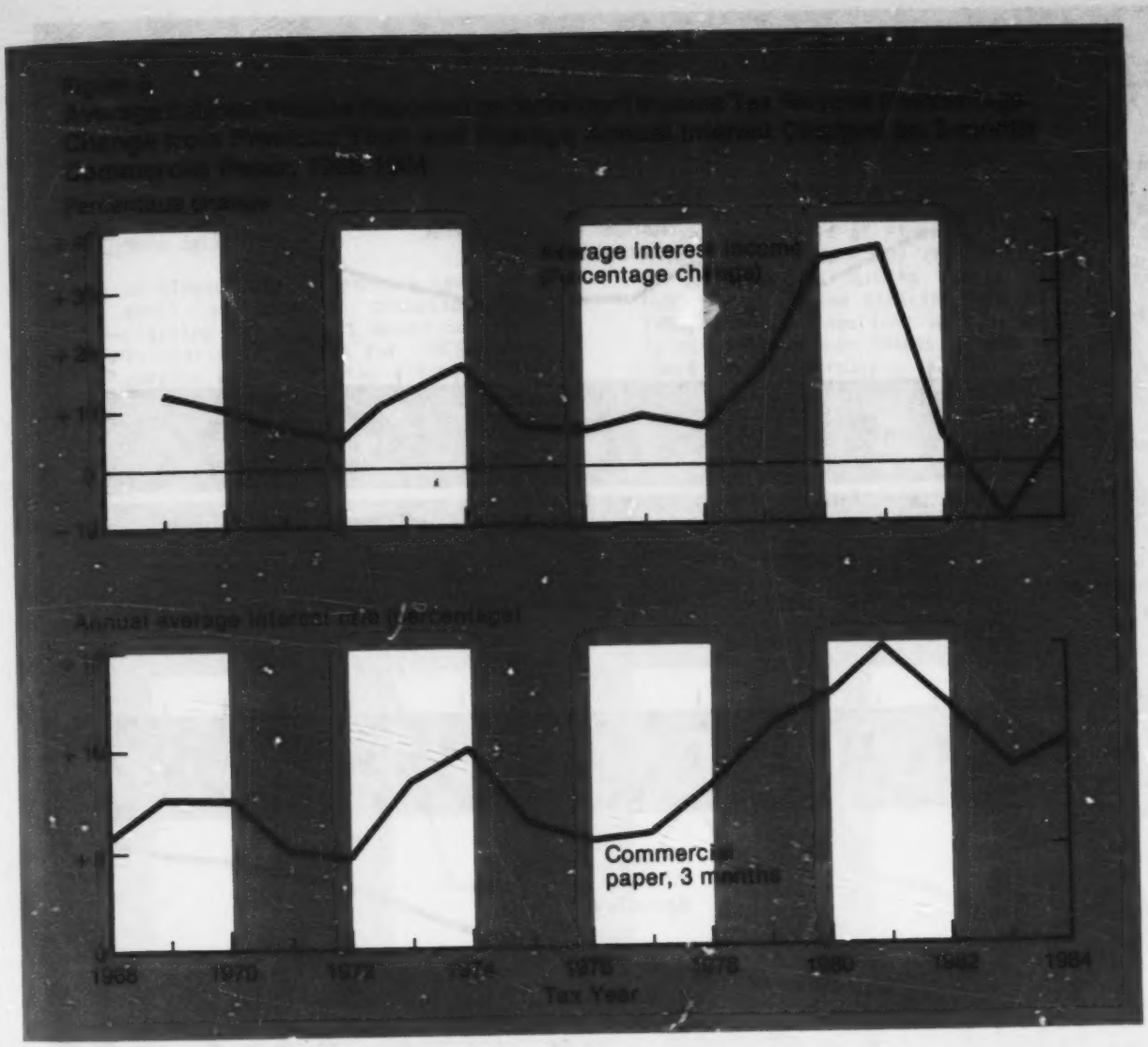

Number of returns with interest income
Percent of all returns with interest income
Dollars
Average Interest Income
Percentage
Interest income as a percentage of AGI
1968
1970
1972
1974
1976
1978
1980
1982
1984
Tax Year

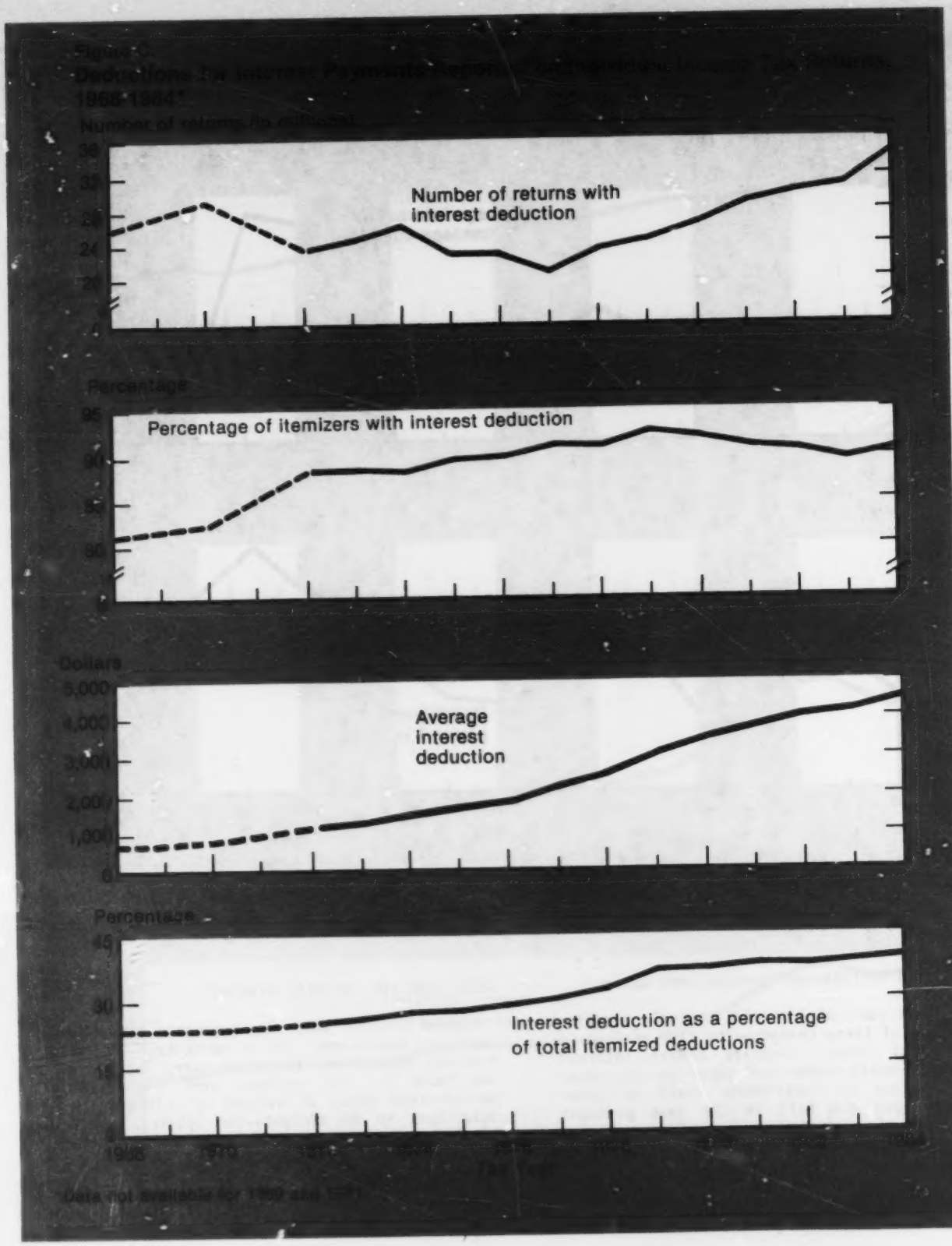


- 1983 to 1984--an increase once again.

The lower part of Figure B strongly suggests the origin of these changes--the financial world of interest rates. Average annual interest rates on 3-month commercial paper (or any other interest rate on investments based on other indexes) rose and fell in the same periodic pattern as the year-to-year percentage changes in average interest income. The unparalleled interest rate levels of 1980-81 were reflected in the highest relative increases in interest income during the entire 17-year period.

DEDUCTIONS FOR INTEREST PAYMENTS

Figure C shows that the aggregate amount of interest deductions, as a percentage of all itemized deductions, increased every year; also see Table 2. The increase over the 17-year period--from about 27 percent of all itemized deductions to 44 percent--far outstripped the increases in the other four major deduction categories (medical, taxes, contributions, and miscellaneous). For 1968, the deduction for interest was 76 percent of the deduction for taxes. By 1979, interest was in first place

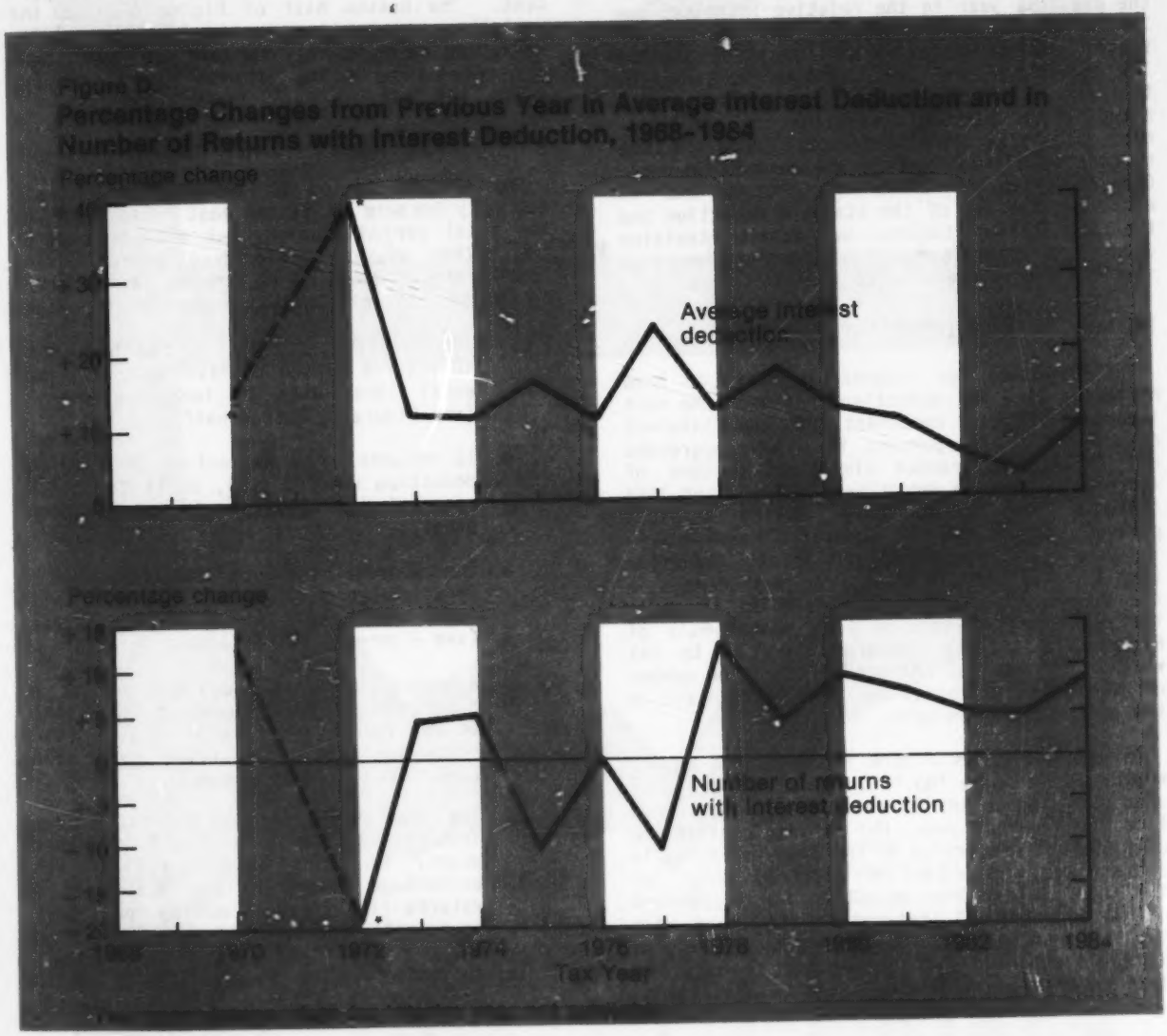

Number of returns with interest deduction
Percentage of itemizers with interest deduction
Dollars
Average interest deduction
Percentage
Interest deduction as a percentage of total itemized deductions

and, by 1983, the interest/taxes ratio had been reversed.

The principal elements associated with this phenomenon are shown in Figure C where the following features should be noted:

- sharp declines in the number of ID returns for certain years during the first part of the period (discussed in more detail later);
- an already high proportion (over 80 percent) of itemized deduction returns claiming the interest deduction that rose to nearly 93 percent for 1979, the proportion then declining slightly for the next 5 years as gradually as it had increased during the previous 5 years; and
- an average interest deduction that increased each year during the period (see the percentage changes in the upper half of Figure D), from about $700 for 1968 to almost $4,600 for 1984.

However, the trend of the average interest deduction was an uneven one. This is clearly shown by the year-to-year percentage increases in the upper half of Figure D. The lower half shows the corresponding changes in the number of ID returns. Turning Figure D 90 degrees helps point up the striking fact that, through 1980, the two lines look very much like slightly distorted mirror images of each other. When there was an increasing increase in the average interest deduction, there was a decrease, or a decreasing increase, in the number of ID returns; the converse was also true.



The reasonable inference to be drawn--and the one that is consistent with expectations--is as follows: year-to-year gains and losses in the number of ID returns were dominated by a preponderance of small deducters. Their contribution to an average deduction--an average is a ratio, after all--is greater in the denominator (number of returns) than in the numerator (the deduction amount). When a disproportionate number of small deducters stopped claiming the interest deduction as, for example, for 1972 compared with 1970, the resulting average increased markedly--by 40 percent [3]. The 1972-73 data suggest the occurrence of the reverse process.

TAX LAW CHANGES

Tax Years 1972, 1975, and 1977 showed decreases of 10 to 20 percent in the number of ID returns and 1979 showed a substantial drop from the previous year in the relative increase; see the bottom half of Figure D. Why the dips in these 4 years? A review of changes in the tax law provisions over the study period indicates that these were years when, among other tax law changes, the personal exemption and the standard deduction were increased (both in the percentage allowed and in the maximum amount). One objective of these law changes was to encourage the use of the standard deduction and the tax look-up tables, as against itemizing deductions and, clearly, the interest deduction statistics show the effects of the changes.

THE HOME MORTGAGE INTEREST DEDUCTION

The deduction for interest payments on home mortgages (the HMI deduction) has been the most important single component of the interest deduction. At 53 percent for 1968, aggregate HMI deductions reached almost 66 percent of aggregate interest deductions for 1983 and 1984 (columns 4 and 7 of Table 2). During the study period, the average HMI deduction moved nearly in step with the average interest deduction (see the top half of Figure E), and changes in the number of HMI returns resembled those in the number of ID returns (the bottom half of Figure E). It is therefore logical to ask whether the tax law changes affected the number of ID returns primarily through their impact on the number of HMI returns.

On the whole, as Figure F shows, the answer would appear to be "No." In general, for years when the number of ID returns showed a drop from the previous year, HMI returns contributed only a small proportion to the drop--or actually increased. (An exception occurred only for 1977 when HMI returns accounted for 62 percent of the drop in ID returns.) For years when the number of ID returns increased, HMI returns usually accounted for 70 percent or more of the increase [4]. In other words, HMI returns were sluggish on the downside and, with few exceptions, moved vigorously on the upside. It therefore appears that the declines (or reduced increases) in the number of ID returns for 1972, 1975, 1977, and 1979 mainly reflected declines in the number of returns with deductions for other than home mortgage payments, such as for the amounts paid on bank loans and installment or credit-card purchases. Consistent with expectations, one finds that it was taxpayers in this mixed grouping, rather than HMI deducters, on whom the tax law changes had the most perceptible effect.

This analysis is supported by the evidence charted in Figure G. In it the trend in the number of HMI returns as a percentage of all ID returns can be clearly seen in the top half. The trend rises to a 1977-79 "plateau" around 85 percent and declines thereafter to 78 percent. The bottom half of Figure G shows the variations around the trend. For 1972, 1975, 1977, and 1979--exactly the years in question--HMI returns tended to gain in relative importance, not lose.

INTEREST DEDUCTIONS FOR 1979-1984

The 1979-84 period is of special interest, not only because it is the most recent part of the total period studied, but also because of the rather unusual trend developments during those years. Among these trends, as observed in the tax return statistics, are the following:

- the relative increase in the number of ID returns tended to level out, at least until 1984, when it increased sharply (see Figure D, bottom half);
- ID returns as a percentage of itemized deduction returns fell, until the slight reversal for 1984 (see Figure C, second panel);
- the average interest deduction had a very slackened rate of increase until 1984, when there was a major increase (see Figure C, third panel);
- aggregate interest deduction dollars as a percentage of all itemized deductions, as a consequence, also had a very slackened rate of increase until 1984 (see Figure C, bottom panel);
- the year-to-year change in the average interest deduction for all of these years, including 1984, paralleled the percentage change in the number of ID returns (in- stead of moving oppositely, as in prior years; see Figure D);
- in general, the average HMI deduction had a very slackened rate of increase,

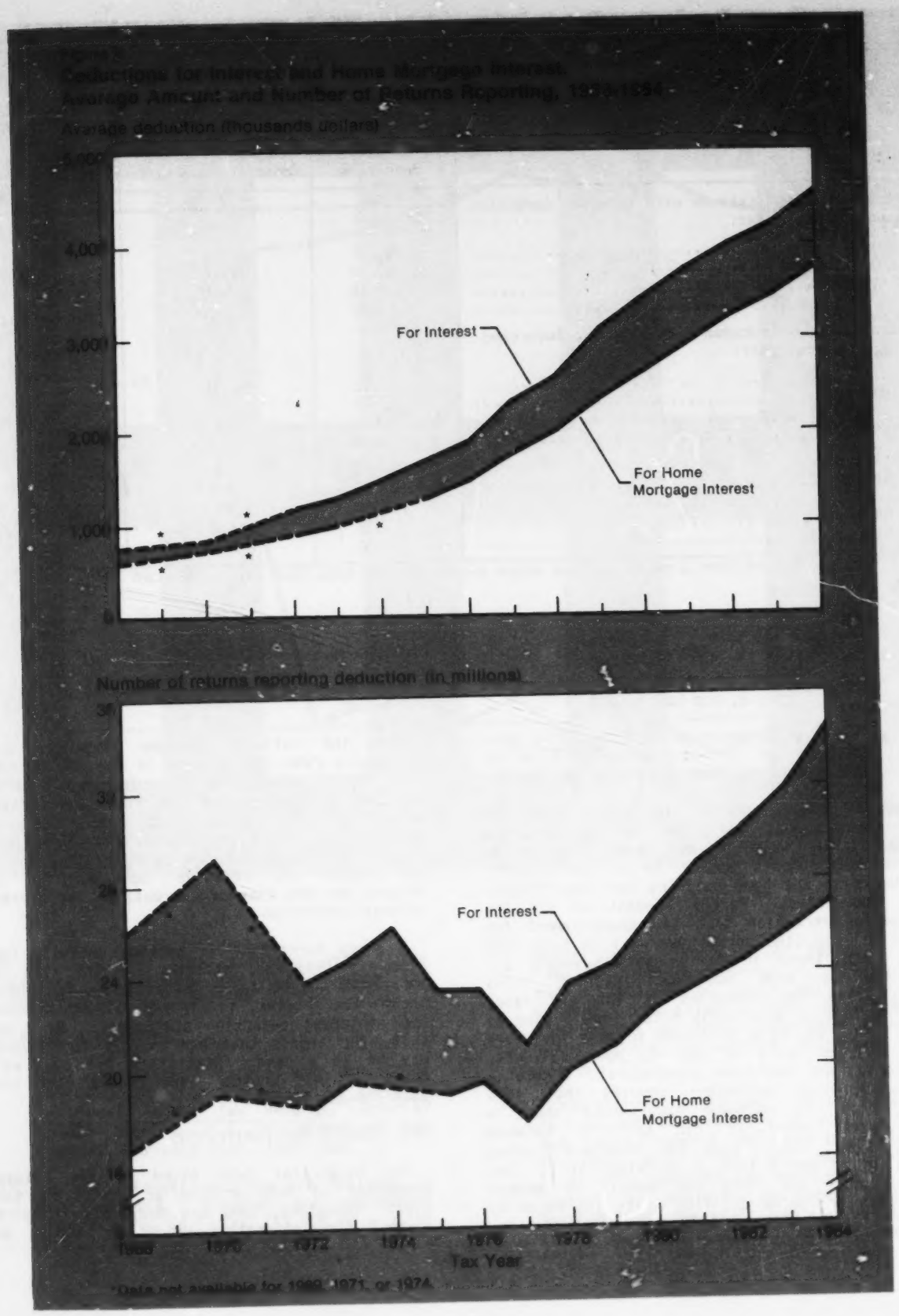

Average deduction (thousands dollars)
4,000
3,000
2,000
1,000
0
For Interest
For Home
Mortgage Interest
Number of returns reporting deduction (in millions)
32
28
24
20
16
For Interest
For Home
Mortgage Interest
1968
1970
1972
1974
1976
1978
1980
1982
1984
Tax Year
*Data not available for 1969, 1971, or 1974.

Figure F.--Changes From Previous Year in Number of Returns With Interest Deduction and Returns With Home Mortgage Interest Deduction, 1972-1984

Tax Year	Change in number of returns from previous year—— (thousands of returns)		Column 2 as a percentage of Column 1
	With interest deduction	With home mortgage interest deduction	
	(1)	(2)	(3)
Years with fewer returns with interest deduction than previous year:			
1972 [1]	-5,417	-507	9%
1975 [1]	-1,410	-414	29
1976	-18	269	([2])
1977	-2,477	-1,546	62
Years with more returns with interest deduction than previous year:			
1970 [1]	3,191	2,431	76
1973	1,007	889	88
1978	2,654	2,117	80
1979	968	1,027	106
1980	2,165	1,685	78
1981	2,087	967	46
1982	1,480	1,033	70
1983	1,439	1,020	71
1984	2,831	1,406	50

[1]Changes computed from 2 years earlier since previous year data (for 1971, 1974, and 1969) were not available.

[2]Not computed.

and 1984 was no exception in this regard (see Figure E, top half); and

- HMI returns represented a declining proportion of ID returns (instead of an increasing one (see Figure G, top half).

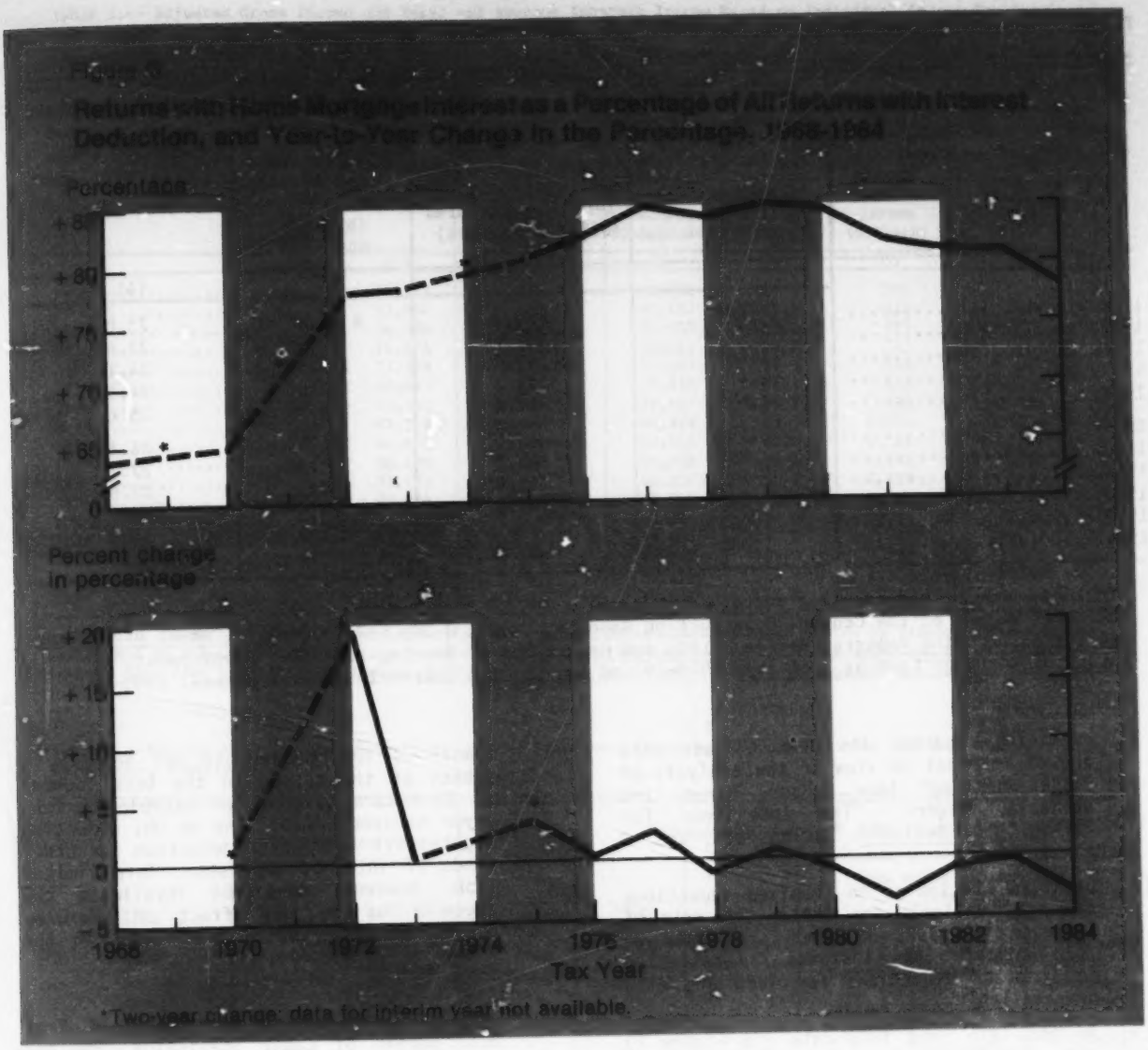
In the absence of the kind and frequency of tax law changes reflected in the previous years' data, the origin and common force behind these developments appear to be the drastic cutbacks in the home building and home financing industries. Partly brought on by the deepening recession that saw unemployment top 10.6 million (the annual average) in both 1982 and 1983, these industries were severely afflicted by high mortgage interest rates paralleling the elevation of interest rates during 1980-82 previously noted (see Figure B) [5]. What was balm of Gilead to many investors was as the boils of Job to home builders, sellers, and would-be purchasers. Figure H presents four indicators showing that this sector of the economy experienced about a 50-percent reduction in activity between 1978-79 and 1982. Even the innocuous-looking data in column 4 tell a striking story. Between 1974 and 1978 the number of owner-occupied mortgaged dwelling units increased by 2.6 million; between 1979 and 1983, the increase was only 1.4 million, down 46 percent or 1,200,000.

With the fall-off in the number of new mortgagors came the decline in the HMI proportion of ID returns and the slackened rate of increase in the average deduction (that otherwise would have reflected the higher mortgage payments of perhaps 1,200,000-or-more purchasers). These developments, in turn, influenced the number and relative importance of ID returns and the rate of increase in the average interest deduction.

A sharp turnaround in housing activity took place in 1983 and, allowing for the time lag before it can be fully reflected on individual income tax returns, is already evidenced in the 1984 interest deduction statistics. As a result, the trends that had emerged for 1979-83 may be at an end. Statistics for 1985 will begin to tell whetner 1984 becomes the base year for new trends.

DATA SOURCES AND LIMITATIONS

The historical data based on tax returns presented in this article are based on samples. Therefore, they are subject to sampling error. For information about the samples and



the magnitude of the sampling error, see Statistics of Income--Individual Income Tax Returns for the years 1968-84.

NOTES AND REFERENCES

[1] Data on interest income and deductions were obtained from Statistics of Income--Individual Income Tax Returns, Internal Revenue Service, U.S. Department of the Treasury, for each year, 1968-1984.

[2] Not all interest receipts are included in this analysis. Examples are tax-exempt amounts of up to $1,000 ($2,000 on a joint return) received on so-called All-Savers Certificates, issued after September 30, 1981 and before January 1, 1983; tax-exempt interest on state and local Government obligations; and tax-deferred interest on Individual Retirement Arrangements (IRA's) authorized beginning with Tax Year 1975.

Gradual growth in payments to IRA's during 1975-81 was succeeded by an explosion in 1982 when payments increased to six times the 1981 level. (In 1982, IRA contributions were approved for employees already covered by employer retirement plans.) Nevertheless, for that same year, interest income as a percentage of AGI, instead of

Figure H.--Housing Industry Construction and Financial Indications, 1974-1984

Calendar Year	Starts of new privately-owned 1-unit housing units (thousands)	Aggregate value of		Number of nonfarm owner-occupied dwelling units with mortgage (millions)
		New construction put in place, residential 1-unit structures (billion dollars)	New mortgages for 1-4-unit family homes[1] (billion dollars)	
	(1)	(2)	(3)	(4)
1974	888	$26.3	$ 67.5	23.0
1975	892	27.4	77.9	23.4
1976	1,162	40.0	112.8	24.1
1977	1,451	55.3	162.0	24.9
1978	1,433	62.4	185.0	25.6
1979	1,194	60.8	186.6	26.4
1980	852	45.7	133.7	27.1
1981	705	44.4	98.3	27.9
1982	663	41.5	97.0	n.a.
1983	1,068	72.2	201.9	27.8
1984	1,084	85.1	202.2	n.a.

n.a. - Not available.
[1]Includes new and pre-existing units.
Sources: Bureau of the Census, Construction Reports, Series C-20; and C-30; 1980 Census of Housing; and Current Housing Reports, Series H-150; and Department of Housing and Urban Development, Survey of Mortgage Lending Activity, 1975-79 and monthly and quarterly press releases, 1980-84.

declining, reached its peak. These data are of interest in view of the analysis of "asset-shifting" (see Galper, Harvey and Steuerle, Eugene, "Tax Incentives for Saving," SOI Bulletin, Spring 1984, Vol. 3 No. 4, p. 5).

[3] Detailed statistics on itemized deductions are not available for 1971. The rate of increase for 1972 is therefore based on 1970 data in this instance. (Statistics on itemized deductions for 1969 are also not available.)

[4] As the 1976 and 1979 data (in Figure F) show, the year-to-year change in the number of HMI returns is not actually a subset of the change in the total number of ID returns since, for example, a taxpayer no longer reporting an HMI deduction might still have an ID deduction for other kinds of interest expenses. This limitation, however, does not invalidate the argument as to the effect HMI returns could have contributed to changes in the number of ID returns.

[5] Data on unemployment were obtained from U.S. Bureau of Labor Statistics, Employment and Earnings, December 1985.

Table 1.-- Adjusted Gross Income and Total and Average Interest Income Based on Individual Income Tax Returns; and Average Interest Charged on 3-Month Commercial Paper, 1968-1984

Tax Year	Individual income tax returns					Annual average interest charged on 3-month commercial paper (percent)
	All returns (thousands)	Adjusted gross income less deficit (billion dollars)	Returns with interest income			
			Number of returns (thousands)	Total interest income (billion dollars)	Average interest income (dollars)	
	(1)	(2)	(3)	(4)	(5)	(6)
1968	75,729	554.4	31,061	16.8	540	5.90
1969	75,834	603.5	32,127	19.6	611	7.83
1970	74,280	631.7	32,630	22.0	675	7.72
1971	74,576	673.6	34,114	24.7	725	5.11
1972	77,573	746.0	35,697	27.4	768	4.69
1973	80,693	827.1	37,920	32.2	848	8.20
1974	83,340	905.5	39,954	39.5	990	10.01
1975	82,229	947.8	40,378	43.4	1,076	6.25
1976	84,670	1,053.9	42,569	48.6	1,141	5.24
1977	86,635	1,158.5	44,006	54.6	1,241	5.55
1978	89,772	1,302.4	46,107	61.2	1,328	7.94
1979	92,694	1,465.4	47,885	73.9	1,543	10.97
1980	93,902	1,613.7	49,020	102.0	2,081	12.66
1981	95,396	1,772.6	49,657	140.6	2,831	15.32
1982	95,337	1,852.1	52,842	157.0	2,972	11.89
1983	96,321	1,942.6	57,138	152.9	2,676	8.88
1984	99,439	2,139.9	62,060	176.4	2,841	10.10

Source: Commercial paper, placed directly, averages of daily offering rates quoted by finance companies; as published in Salomon Brothers, Inc., New York, N.Y., An Analytical Record of Yields and Yield Spreads. Tax return data from Statistics of Income--Individual Income Tax Returns for appropriate years.

Table 2.--Returns With Itemized Deductions: Total Itemized Deductions and Total Interest and Home Mortgage Interest Deductions, 1968-1984

Tax Year	All returns with itemized deductions		Returns with interest deduction					
						Home mortgage interest deduction		
	Number of returns (thousands)	Total itemized deductions (billion dollars)	Number of returns (thousands)	Total interest deduction (billion dollars)	Average interest deduction (dollars)	Number of returns (thousands)	Total home mortgage interest deduction (billion dollars)	Average home mortgage interest deduction (dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1968	32,030	69.2	26,014	18.5	713	16,588	9.8	592
1969	34,915	80.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1970	35,430	88.2	29,205	23.9	819	19,019	13.3	700
1971	30,686	91.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1972	26,980	96.7	23,788	27.3	1,150	18,512	16.4	887
1973	28,047	107.0	24,795	31.9	1,288	19,401	19.2	987
1974	29,564	119.4	26,108	37.4	1,431	n.a.	n.a.	n.a.
1975	26,074	122.3	23,385	38.9	1,663	18,987	24.2	1,273
1976	25,951	133.9	23,367	43.4	1,858	19,256	27.8	1,445
1977	22,897	138.5	20,890	47.8	2,289	17,710	31.0	1,748
1978	25,756	164.4	23,544	60.7	2,577	19,827	39.3	1,981
1979	26,484	184.1	24,512	74.4	3,036	20,854	48.5	2,326
1980	28,950	218.0	26,677	91.2	3,418	22,539	59.3	2,632
1981	31,571	256.4	28,764	108.7	3,780	23,506	68.6	2,917
1982	33,433	284.5	30,244	121.9	4,029	24,539	79.3	3,233
1983	35,230	309.6	31,684	134.7	4,251	25,559	88.8	3,475
1984	38,203	358.9	34,514	158.2	4,583	26,965	102.1	3,787

n.a. - Not available.

Foreign Recipients of U.S. Income, and Tax Withheld, 1984

By Margaret P. Lewis*

U.S. source income paid to foreign persons (including foreign individuals, corporations and other organizations) rose 57 percent in 1984 to a record $17.1 billion. Tax withheld on this income rose to $970 million, an increase of just 39 percent (since nearly two-thirds of the additional income was exempt from tax withholding).

Income paid to residents of the United Kingdom (U.K.) rose by $1.1 billion, an increase of 55 percentage points, accounting for almost 20 percent of the total increase. U.K. residents received $3.1 billion of U.S. source income in 1984, surpassing the Netherlands Antilles ($2.8 billion) which had an increase of 34 percentage points from 1983.

Almost 70 percent of the increase in U.S. source income paid to foreign persons was accounted for by interest payments. The Deficit Reduction Act of 1984, which became effective on July 18, 1984, exempted most types of interest payments to foreigners from U.S. tax withholding. Not all of this increase can be attributed to the enactment of this legislation, however, since only interest paid on obligations issued after July 18, 1984, was entitled to this exemption. During 1984 high U.S. interest rates helped make investment in the United States more attractive to foreign investors who thus helped finance an expanding U.S. economy. The growing U.S. economy also attracted foreign investment as the dollar appreciated against major currencies. Moreover, the large U.S. trade deficits put "strong dollars" into the hands of foreigners who in turn invested them in the United States.

BACKGROUND INFORMATION

A U.S. individual or organization paying income to a foreign individual (who, for tax purposes, is not a resident or citizen of the United States), corporation, or other organization (that is not incorporated in the United States) reports this income and the U.S. tax withheld on Form 1042S, Income Subject to Withholding Under Chapter 3, Internal Revenue Code (this title changed, in 1985, to Foreign Persons' U.S. Source Income Subject to Withholding). While the basic tax rate is 30 percent, certain types of income are taxed at different rates. Income paid to countries that have entered into tax treaty agreements with the United States is usually taxed at lower rates. The tax withheld represents final payment of the actual tax liability in most instances. The responsibility for withholding tax belongs to the payer or the representative (usually a financial institution) of the payer rather than the recipient of the income. Income connected with the recipient's U.S. trade or business is exempt from withholding. The United States taxes this income separately, as though it were received by a U.S. citizen or corporation.

The basic tax rate on U.S. source income (30 percent) differs from the graduated tax rates for U.S. individuals and corporations because foreign individuals and corporations may receive income from an indefinite number of sources. Since most foreign persons are not required to file U.S. income tax returns and consolidate all U.S. income, their total income cannot be taxed in graduated "brackets," as one payer would have no knowledge of the amount of income other individuals and organizations had paid to the same foreign person.

RECENT LEGISLATION AND ITS IMPACT

The Deficit Reduction Act of 1984, as mentioned above, went into effect on July 18, 1984. The Act exempted from tax most types of interest payments, mainly portfolio interest, made to foreign persons [1]. The principal exception to this exemption was interest paid to a foreign individual, bank or corporation that owned at least 10 percent of the voting power of the U.S. payer. The removal of withholding tax on most types of interest is expected to increase direct foreign investment in the United States and to curtail U.S. borrowing through financial affiliates and other corporations in the Netherlands Antilles (and other tax havens, which are discussed below) [2].

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

U.S. bond holdings by foreigners increased by 85 percent to $32.3 billion in 1984 due in part to the 1984 Act. Most of these issues were direct U.S. corporate Eurobond placements [3]. Borrowing from financial affiliates in the Netherlands Antilles, however, remained strong in the first three quarters of 1984 but almost ceased in the fourth quarter with the advent of the new law [4].

Tax treaty benefits that had been extended under the U.S.-U.K. treaty to British "territories" and former "territories" were cancelled as of January 1, 1984 [5]. As a result, tax withheld on payments to these "territories" rose by 22 percent, while income paid remained virtually unchanged from 1983. The effective tax rate (tax withheld as a percent of total income) for these "territories" rose from 16 percent to 19 percent.

As of 1986, only one of the "territories" signed a separate treaty agreement with the United States [6]. Many of the U.K. "territories" are generally considered to be tax havens, to some extent. Therefore, they may be reluctant to enter into agreements with the United States which would work against those very characteristics that make these "territories" tax havens (see the discussion of tax treaty countries later in this article).

Also cancelled in 1984, were benefits formerly extended under the U.S.-Belgium treaty to former Belgian territories [7]. While both income and tax withheld of these countries declined by more than half, the percentage of income exempt from withholding more than doubled. This caused the effective tax rate for these three countries combined to decline from 14.4 percent to 9.6 percent.

The Social Security Amendment Act of 1983 required withholding on benefits paid to foreign persons beginning in 1984. At the same time, a revision was made to the Railroad Retirement Act of 1937 to require withholding on certain payments to foreigners. The first complete data on these payments will be available for Calendar Year 1985.

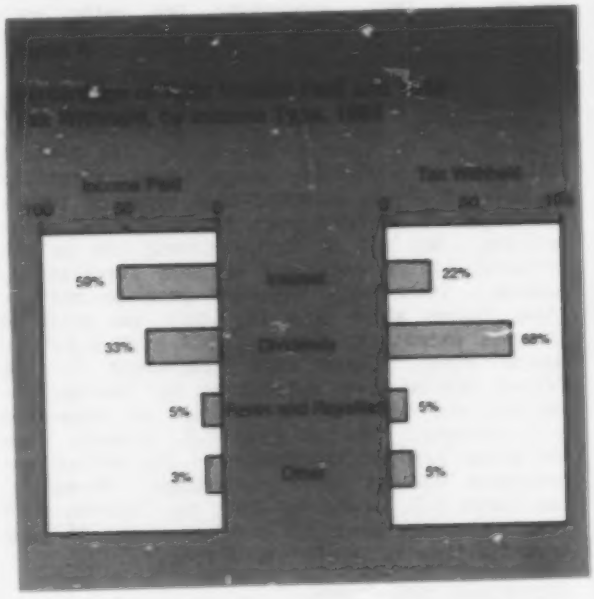
DATA HIGHLIGHTS AND TRENDS

As previously mentioned, U.S. income payments to foreigners totalled $17.1 billion in 1984, increasing by 57 percent. The increase in 1983, in contrast, was only 4 percent. Between 1983 and 1984, income subject to withholding rose by 39 percent, while exempt income increased by 71 percent. The greater rise in exempt income was reflected in a comparatively small increase in tax withheld of 39 percent.

The average income payment rose by 21 percent to nearly $22,000, as indicated by a 57 percent increase in income paid with only a 29 percent increase in the number of Forms 1042S filed. The average amount of tax withheld per payment rose by only 8 percent (due to the large increase in exempt payments mentioned above) to $1,200. The average effective tax rate (tax withheld as a percent of total income for all countries) for 1984 was 5.7 percent.

Type of Income

Interest as a percent of total income paid continued to rise in 1984. Interest accounted for 59 percent of income paid (an increase of 6 percentage points) while dividends represented 33 percent, a 5 percentage point drop from 1983. Figure A shows that the gap between interest and dividends as a percentage of total income widened to 26 percentage points in 1984. For 1983, the percentage was 15.



Since 1980, interest's share of all income increased 19 percentage points, from 40 to 59 percent. The corresponding share for dividends fell by 15 percentage points, from 48 to 33 percent. Figure B shows both total and average annual increases for dividends and interest in both constant and current dollars [8].

Figure B.--Interest and Dividends Paid, 1980 and 1984

[Thousands of dollars]

Year and percentage increase	Interest	Dividends
Calendar year		
1980.....	$ 2,604,307	$3,147,752
1984.....	10,035,675	5,617,707
Percentage increase		
Current dollars:		
Total.....	285.3%	78.5%
Average per year (compounded)....	40.1	15.6
Constant dollars:		
Total.....	205.8	41.6
Average per year (compounded)....	32.3	9.1

Interest payments are often exempt from withholding or taxed at low rates established by treaties. With the passage of the Deficit Reduction Act of 1984, certain types of interest income, mainly portfolio interest, previously taxable, became exempt regardless of the country to which it was paid. As a result, only $214 million of tax was withheld on interest in 1984. This represented only 21 percent of all tax withheld, even though interest represented 59 percent of all income. Dividends, which are rarely exempt from the withholding tax, represented only 33 percent of all income, while tax withheld on dividends comprised 68 percent of the total tax withheld. Figure A shows the percentage of total income paid and the percentage of total tax withheld for several income types.

Interest made up the largest percentage of income paid to all recipients in seven of the nine countries shown in Figure C. Only countries receiving more than $500 million in U.S. source income were considered for inclusion in Figure C. As Figure C indicates, only Switzerland and France had a larger percentage of dividends than interest. This is in contrast to 1983 when dividends made up a larger percentage of income paid than interest for more than half of the top countries.

As in 1983, non-tax haven countries shown in Figure C received a greater portion of rents and royalties (7 percent average) than the Netherlands Antilles, the Netherlands and Switzerland (2.5 percent average), all of which may be considered, by some, to be tax havens to some degree. More than half of all rents and royalties paid were industrial royalties. The latter include royalties for the use of, or the privilege of using, trademarks, patents, secret processes and formulas, goodwill, franchises, and similar rights. One would not expect these types of payments to be made to non-industrial countries and most tax havens have a narrow industial base. Switzerland and the Netherlands, tax haven countries which receive all types of income, are exceptions. Also, some U.S. corporations may use tax haven countries to set up foreign companies that license royalties, therefore, resulting in rents, royalties and license fees paid to tax haven countries. In contrast, rents and royalties accounted for 14 and 12 percent of all income paid to France and Japan, respectively, non-tax haven countries. The Japanese payments were mainly payments by "high-tech" U.S. firms to "high-tech" Japanese firms.

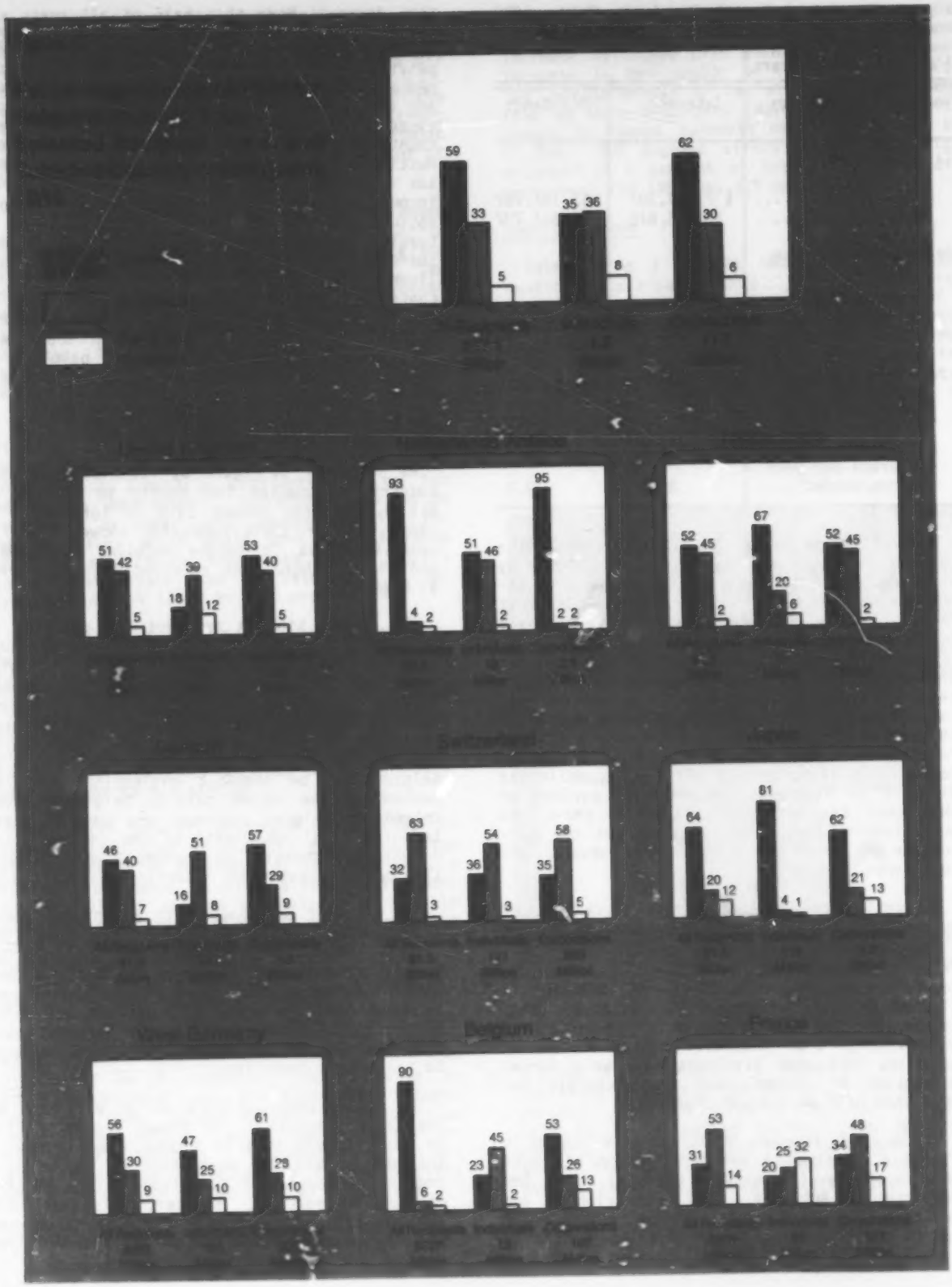
Country of Recipient

As is shown in Figure D, recipients in nine countries accounted for nearly 90 percent of all U.S. source income paid to foreigners in 1984. All of these countries showed significant increases in income received over 1983, and six of these nine received income of over $1 billion.

The United Kingdom regained its position as recipient of the most U.S. source income, surpassing the Netherlands Antilles. Belgium posted an exceptionally large rise in income, pushing it for the first time into the position held by France in 1983, as the eighth largest recipient of U.S. source income. The nearly 700 percent rise in U.S. source income paid to Belgium may be somewhat misleading since 90 percent of the income paid to Belgium was received by Belgian nominees who may not have been the final recipients of the income. (For a further discussion of nominees, see the section on recipient types later in this article.)

Tax withheld on payments to all of the countries shown in Figure D also rose from 1983 levels. However, the rise in tax withheld was generally less than the rise in total income since there was a large rise in exempt income in 1984 (due, in part, to the 1984 Act which helped cause increases in total interest paid and, therefore, increases in total income paid to tax treaty countries).

The Netherlands Antilles was an exception to the above generality. It showed a greater rise in tax withheld than in income, thus narrowing the gap between its percentage of income paid and the percentage of tax withheld from 18 percent to 14 percent. However, this was still the largest discrepancy of the countries shown. Income paid to the Netherlands Antilles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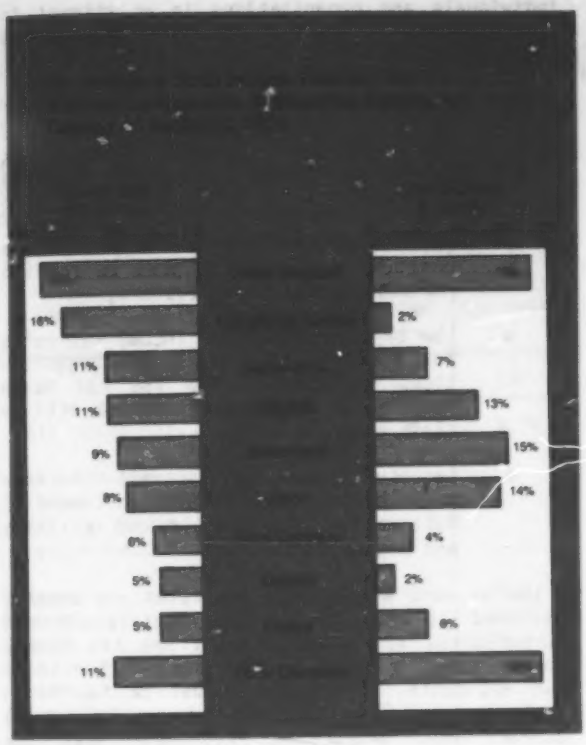


rose by 34 percent while the rise in tax withheld on payments to Netherlands Antilles residents was 105 percent. This was a reflection of the greater relative rise in taxable income.

Effective Tax Rate by Country

Although the basic U.S. withholding tax rate is 30 percent, the actual rate can differ for a variety of reasons. First, tax treaties allow for lower tax rates on certain types of payments to certain countries. Second, as mentioned previously, the Deficit Reduction Act of 1984 exempted most types of interest from withholding tax. Third, income paid to tax exempt or governmental organizations is generally not taxed. Fourth, most U.S. income paid to foreign private foundations is taxed at only a 4 percent rate. Finally, income that is connected with the recipient's U.S. trade or business is taxed as though it were received by a U.S. individual or organization, and is therefore not subject to withholding tax (although it is subject to the regular rates of U.S. income tax on net income and may be additionally reported on Form 1042S). Because of these factors, the effective U.S. withholding tax rate (tax withheld as a percent of total income) varies by country.

Figure E shows the income paid, tax withheld by U.S. withholding agents, and the effective withholding tax rates for the twelve countries having the lowest effective tax rates. Tax withheld by foreign governments and withholding agents is not included in this table because the tax cannot be properly attributed to income for a particular year. Only countries receiving at least 100 payments and $1 million or more of income were considered for ranking.

Figure E.--Ranking of Countries by Effective Tax Rates, 1984

[Thousands of dollars]

Country	Total income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
All countries 1/.	$17,106,632	$969,553	5.67%
United Arab Emirates.....	143,449	182	0.13
Egypt.....	28,580	72	0.25
Saudi Arabia.....	351,990	1,532	0.44
Netherlands Antilles.....	2,812,549	18,844	0.67
Trinidad and Tobago.....	10,929	132	1.21
Belgium.....	826,995	16,896	2.04
Norway.....	49,948	1,118	2.24
Netherlands.....	1,918,889	66,137	3.45
Finland.....	9,352	348	3.72
West Germany.....	963,166	42,398	4.40
Portugal.....	28,816	1,395	4.84
Singapore.....	26,709	1,345	5.03
Other countries 1/....	10,076,727	821,042	8.15

1/Includes all other countries, regardless of number of payments or amount of income paid.

Newcomers to this list are the United Arab Emirates, Belgium, Norway, Finland and Portugal. Four of the previously listed countries, United Arab Emirates, Saudi Arabia, Portugal and Singapore, are not tax treaty countries that received the benefits of reduced tax withholding rates. A substantial portion (78 percent) of Saudi Arabia's U.S. source income ($352 million) was paid to Saudi Government organizations and therefore not subject to the withholding tax. More than 50 percent of U.S. source income paid to Portugal ($29 million) was paid to private foundations and therefore was subject only to the 4-percent withholding rate. Former leader, Antigua, lost its position due to the cancellation of its tax treaty with the United States. In 1984, Antigua's effective tax rate rose to 2.0 percent from 0.2 percent in 1983. (Antigua was not included in Figure E because it received less than $1 million in payments in 1984.)

Tax Treaty Countries

In order to avoid double taxation of income earned in one country by residents of another country, the United States has negotiated tax treaties with foreign countries that usually reduce the withholding rates in both countries [9]. It is generally believed that any U.S. withholding-tax revenue loss due to the tax treaty rate reduction will be at least partly offset by a decline in the foreign tax credits against U.S. income tax claimed by U.S. individuals and corporations on income from those countries enjoying reciprocal benefits.

Since tax treaties generally provide for a reduced withholding rate for U.S. individuals and corporations receiving foreign income and for foreign recipients receiving U.S. income, U.S. individuals and corporations will have less foreign tax withheld. This, in turn, should lessen their foreign tax credit claimed and consequently raise their U.S. tax liability.

Figure F shows the lower effective tax rates on payments to recipients in treaty countries as compared to payments to recipients in nontreaty countries. Table 1 lists the tax treaty and nontreaty countries and provides corresponding Form 1042S data.

Figure F.--Total Income, Tax Withheld and Effective Tax Rate for Treaty and Nontreaty Countries, 1984

[Thousands of dollars]

Country status	Total income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
All countries...	$17,106,632	$969,553	5.67%
Treaty countries.....	15,607,203	822,655	5.27
Nontreaty countries.....	1,499,429	146,897	9.80

Although residents in tax treaty countries typically enjoyed lower U.S. withholding tax rates, if the income were paid to a foreign nominee or fiduciary on behalf of a person not entitled to the treaty benefit, the full 30-percent U.S. tax should be imposed. Those U.S. treaty partners that collected the additional amounts on behalf of the United States are listed in Table 1, Column 7.

Tax Haven Countries

A tax haven is generally considered to be a country having tax laws favorable to foreign individuals and organizations in an attempt to attract these investors. The tax haven country typically benefits by collecting certain fees or taxes (at a low rate). Foreign individuals and organizations might not invest in or through the tax haven if taxes comparable to those of their own country were imposed. Tax haven countries tend to have the following characteristics:

- No withholding tax on most payments from the tax haven country to foreign individuals and organizations,
- Low or zero effective income tax rates for foreign individuals and organizations operating within the tax haven country, or performing certain activities, and
- Secrecy laws to prevent foreign governments from obtaining financial information about their own citizens and organizations.

Low or zero withholding tax rates are usually designed to attract foreign individuals and corporations to invest through the tax haven, rather than to provide a tax benefit for their own residents, although a number of tax haven countries have low tax rates in an effort to attract real productive investment into the country also. However, many tax haven countries do not have tax treaties with the United States that allow for low or zero withholding rates on payments to the tax haven. While treaties with non-tax haven countries allow for mutually-reduced withholding tax rates, the lost tax revenue on U.S. source income paid to foreigners is, as mentioned above, at least partially recovered in income taxes due to lower foreign tax credits claimed by U.S. taxpayers. The lower credits are a result of less foreign taxes being paid by U.S. taxpayers on their foreign source income.

Figure G shows the percentage of payments made to corporations, along with their effective tax rate, for selected tax haven countries [10]. Only countries which received more than $1 million of income and 100 payments were considered for Figure G.

As evidence that tax haven countries attract corporations to them, note that the average percentage of payments to corporations in tax haven countries is greater than the average for non-tax haven countries. The effective tax rate for all but three tax haven countries is greater than the total average effective tax rate of 4.7 percent. For these three countries, the Cayman Islands, the Netherlands and the Netherlands Antilles, as well as for Liberia and Luxembourg, at least 50 percent of income paid was interest which typically was subject to a lower tax withholding rate and was

affected by the Deficit Reduction Act of 1984. Also, two of the three countries with lower than average rates, the Netherlands and the Netherlands Antilles, are countries that benefit from reduced treaty rates.

Figure G.--Corporate Recipients in Selected Tax Haven Countries, 1984

Country	Percent of--		Effective tax rate
	All payments received	All income received	
	(1)	(2)	(3)
All countries.....	7.7%	68.3%	4.7%
All non-tax haven countries..	6.9	59.6	5.7
All tax haven countries.....	17.8	81.5	3.6
Bahamas.....	25.9	48.4	18.5
Barbados.....	29.1	90.9	20.0
Bermuda.....	17.9	60.6	25.0
British Virgin Islands.....	23.4	67.7	19.7
Cayman Islands.....	41.7	59.9	4.0
Liberia.....	16.2	92.6	11.5
Luxembourg.....	31.9	48.6	9.4
Netherlands.....	13.4	80.7	2.3
Netherlands Antilles	47.7	87.6	0.3
Panama.....	27.3	43.6	18.9
Switzerland.....	13.3	61.3	9.1

Type of Recipient

Corporations received 68 percent of all income paid to foreign persons in 1984, while individuals, and nominees and fiduciaries (the next largest recipients of income) received only 7 percent and 9 percent, respectively. In contrast, the percentage of tax withheld on payments to individuals and to nominees and fiduciaries was disproportionately large relative to the income received (15 and 12 percent, respectively), while the percentage of tax withheld on corporations was a comparatively low 56 percent of all tax withheld.

This latter discrepancy is reflected in the effective tax rate for corporations of 4.7 percent, which may be compared to an effective tax rate of 7.8 percent for all other types of recipients combined. The effective tax rate for corporations remained unchanged from 1983 but has shown a steady decline after 1979 when the rate was 9.2 percent. The decline has been a result of a steady increase in payments of interest, caused by increasing U.S. interest rates, to foreign corporations which are generally subject to lower withholding tax rates.

Nominees and fiduciaries received 9 percent of all income paid in 1984 making them the second largest recipients of income. This may be somewhat misleading due to unusually large amounts of income paid to Belgian nominees in 1984, discussed earlier. If the payments to Belgian nominees were removed, the income paid to nominees would be halved and would represent an amount in proportion to previous years' data. Without nominee payments to Belgium, nominees and fiduciaries would have received 5.7 percent of all income paid in 1983 and 4.3 percent of all income paid in 1984.

Governmental, international and tax-exempt organizations received 2 percent of income paid yet accounted for only 0.4 percent of tax withheld because more than 92 percent of income paid to government, international and exempt organizations was exempt from withholding [11].

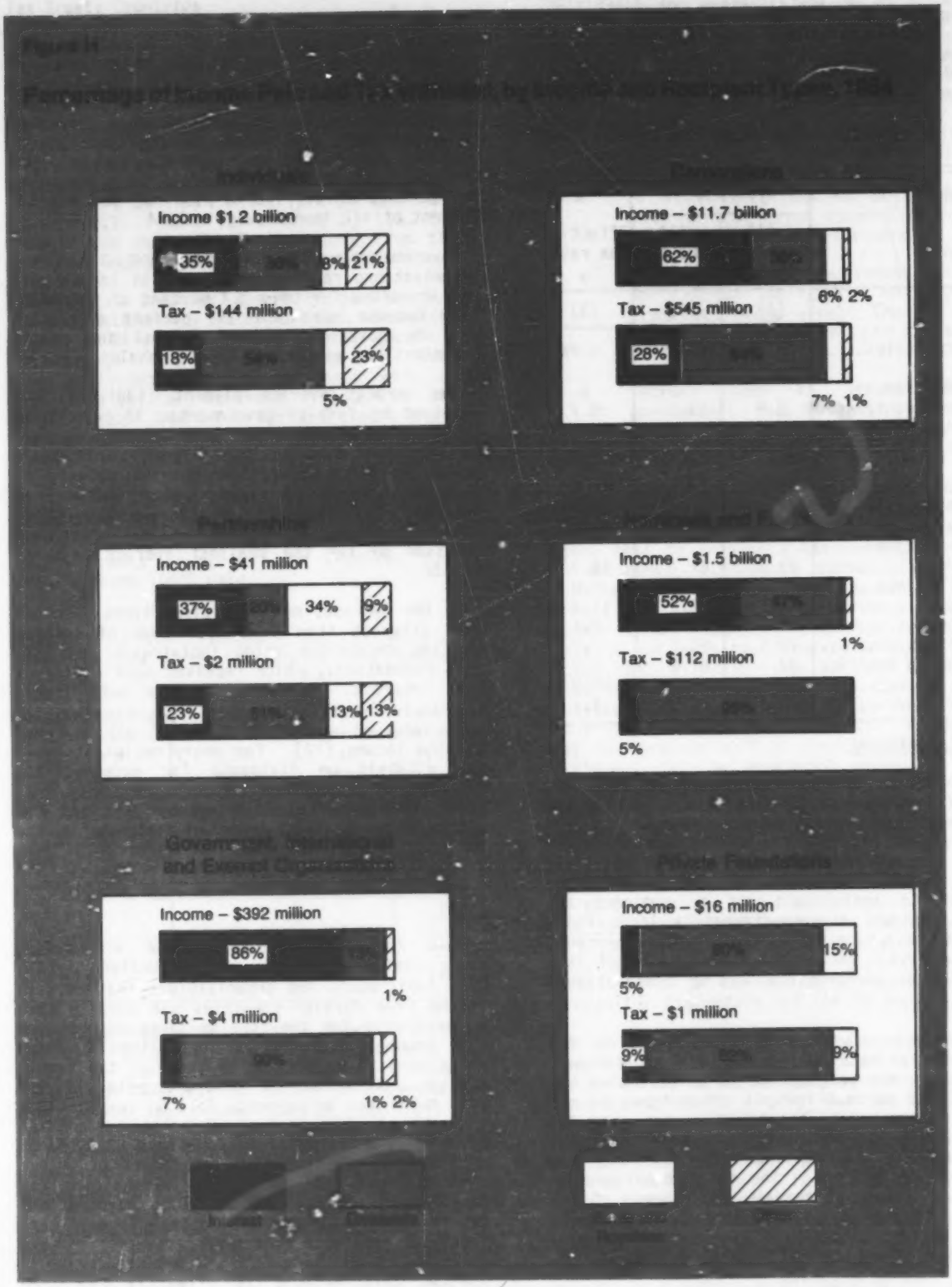
The largest average payment ($301,413) was received by foreign governments; 77 percent of total payments to foreign governments were made to the Government of Saudi Arabia. If Saudi Arabia were excluded, the average payment to foreign governments would have fallen to $71,253. In contrast, the average payment by corporations was $193,808, while individuals received by far the smallest average payment, $2,138.

On the average, most recipient types received more interest than any other type of income, the two exceptions being individuals and private foundations, which received more dividends than interest. Partnerships were more likely to receive rents and royalties, while individuals received over 80 percent of all personal service income [12]. For every recipient type, tax withheld on dividends far exceeded tax withheld on any other income type. Figure H shows the percentages of income paid and tax withheld on various types of income for the different recipient types.

U.S. and Foreign Withholding Taxes on Corporations

Most foreign countries impose withholding taxes similar to those of the United States. U.S. individuals and organizations that receive income from foreign countries can usually take a tax credit for the foreign taxes withheld on this income. Although foreign withholding tax rates tend to be similar to the U.S. tax rates, foreign countries, in general, withhold far more total tax on payments to U.S. corporations than the United States withholds on similar payments to foreign corporations. Although similar data dealing with the amount of income paid are not available, this withholding tax disparity is probably due to U.S. corporations receiving more foreign income than foreign corporations receive U.S. income.

While this article is primarily concerned with 1984 data, 1982 is the most recent year for which complete foreign tax credit data also


Income $1.2 billion
35%
8%
21%
Tax – $144 million
18%
23%
5%
Income – $11.7 billion
62%
6%
2%
Tax – $545 million
28%
7%
1%
Income – $41 million
37%
34%
9%
Tax – $2 million
23%
13%
13%
Income – $1.5 billion
52%
1%
Tax – $112 million
5%
Income – $392 million
86%
1%
Tax – $4 million
7%
1%
2%
Income – $16 million
15%
5%
Tax – $1 million
9%
9%

are available for comparison purposes. For 1982, $3.2 billion of foreign tax was withheld by foreign governments on the combined total for interest, dividends, rents, royalties and license fees received by U.S. corporations claiming a foreign tax credit [13]. This amount increased by 23 percent from 1980 and was almost eight times the amount of U.S. tax withheld in 1982 ($0.4 billion) on similar payments to foreign corporations. The latter rose by only 13 percent over the 2-year period.

Figure I shows, for 1982, U.S. tax withheld on certain payments to foreign corporations and foreign taxes withheld on similar foreign payments to those U.S. corporations claiming a foreign tax credit, by income type and country. More tax was withheld by foreign countries than by the United States for each of the income categories (dividends, interest, and rents, royalties and license fees) shown.

Foreign tax withheld on rents, royalties and license fees paid to U.S. corporations exceeded the U.S. tax withheld on rents, royalties and license fees paid to foreign corporations by more than $1.1 billion. More than 60 percent of this difference can be accounted for by Norway, which taxed the large oil production-related royalties paid to U.S. corporations.

Foreign tax withheld on dividends paid to U.S. corporations exceeded U.S. tax withheld on dividends paid to foreign corporations by almost $0.9 billion in 1982. This may have been caused by the excess volume of U.S. investment

Figure I--U.S. Tax Withheld on Certain Payments to Foreign Corporations, Foreign Tax Withheld on Certain Payments to U.S. Corporations Claiming a Foreign Tax Credit, by Income Type and Country, 1982

[Money amounts are in thousands]

Country	Tax withheld on dividends			Tax withheld on interest			Tax withheld on rents, royalties and license fees		
	U.S. payments to foreign corporations 1/	Foreign payments to U.S. corporations 2/	Column 1 minus column 2	U.S. payments to foreign corporations 1/	Foreign payments to U.S. corporations 2/	Column 4 minus column 5	U.S. payments to foreign corporations 1/	Foreign payments to U.S. corporation 2/	Column 7 minus column 8
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All countries.	284,547	1,160,557	-876,010	107,313	868,965	-761,652	19,192	1,156,781	-1,137,589
Argentina.....	37	14,615	-14,578	600	52,835	-52,235	92	5,791	-5,699
Australia.....	818	39,049	-38,231	390	15,240	-14,850	433	57,760	-57,327
Belguim.....	3,838	16,565	-12,727	4,281	4,608	-327	-	642	-642
Brazil.....	58	125,314	-125,256	675	296,927	-296,252	7	9,025	-9,018
Canada.....	25,000	255,364	-230,364	21,987	76,197	-54,210	3,926	82,170	-78,244
France.....	11,796	20,428	-8,632	4,085	2,477	1,608	1,842	24,552	-22,710
Italy.....	536	18,111	-17,575	920	4,879	-3,959	4	23,504	23,500
Japan.....	13,015	38,481	-25,466	30,215	6,439	23,776	10,403	78,214	-67,811
Mexico.....	289	39,418	-39,129	421	213,827	-213,406	316	38,287	-37,971
Netherlands...	51,153	40,650	10,503	1,817	401	1,416	2	227	-225
Netherlands Antilles.....	3,541	1,657	1,884	5,601	-	5,601	4	-	4
Norway.....	2	2,200	-2,198	317	56,987	-57,304	4	696,939	-696,935
South Africa..	1	29,339	-29,338	2	409	-407	6	8,568	-8,562
South Korea...	26	1,143	-1,117	8	891	-883	-	2,764	-2,764
Switzerland...	59,029	28,815	30,214	13,337	193	13,144	186	41	145
United Kingdom.....	71,823	143,539	-71,716	1,727	12,448	-10,721	290	4,295	-4,005
Venezuela.....	529	37,497	-36,968	73	23,848	-23,775	6	5,795	-5,789
West Germany..	10,130	159,303	-149,173	5,604	604	5,000	4	620	-616
Other countries...	32,927	149,069	-116,142	15,255	99,755	-83,866	1,667	117,587	-115,920

1/Does not include tax remitted by foreign governments and withholding agents since these amounts cannot be allocated to specific years.

2/Does not include tax withheld on income received by U.S. corporations not claiming a foreign tax credit. The amounts shown are for corporation tax returns having accounting periods which ended between July 1982 and June 1983.

in foreign corporations over the volume of foreign investment in U.S. corporations. In 1982, U.S. private direct investment abroad ($221 billion) was more than twice foreign private direct investment in the United States ($102 billion) [14].

Another factor contributing to this difference may have been that foreign markets in most developing countries tend to be less stable than U.S. markets. Thus U.S. corporations require a greater return on their investment in these countries than foreign corporations expect on their investment in the United States. Because of the larger amount of dividends received by U.S. corporations, the foreign tax withheld on them far exceeded the corresponding amount withheld by the U.S. government on dividends paid to foreign corporations. However, the difference in tax withheld on dividends declined from $1.1 billion for 1980 to $0.9 billion for 1982 and possibly reflected growing investment by foreigners in the United States [15].

For 1982, tax withheld by foreign governments on interest payments to U.S. corporations also exceeded U.S. tax withheld on interest payments to foreign corporations. The difference increased by 26 percent from 1980 ($607 million) to 1982 ($762 million). Most of this increase was accounted for by increases in foreign taxes withheld by Brazil and Mexico. These two countries alone accounted for 67 percent of the difference for 1982. Both are heavily indebted to U.S. banks and, therefore, made large interest payments which were subject to foreign tax withholding. For 1982, over 90 percent of all tax withheld by Brazil and Mexico on interest payments to U.S. corporations was withheld on interest paid to U.S. banks ($461 million).

SUMMARY

High U.S. interest rates, a growing U.S. economy and enactment of the Deficit Reduction Act of 1984, which exempted most types of interest from tax withholding, all contributed to a 57 percent rise in U.S. source income paid to foreign persons in 1984. Interest remained the most common type of income, rising to 59 percent of total income even though it only accounted for 21 percent of tax withheld.

Foreign corporations remained the biggest recipients of U.S. source income, receiving 68 percent of all income paid in 1984. Individuals received only 7 percent of income yet accounted for 15 percent of tax withheld. This was because individuals received more dividend income (which is rarely tax-exempt) than interest or any other income type.

Unlike corporations, which received mainly interest, and individuals, who received mainly dividends, foreign partnerships were more likely to receive rents and royalties than any other type of income.

Foreign governments once again received the largest average payments, over $300,000 (due mainly to large payments to Saudi Arabia). In contrast, payments to individuals were smaller.

Nine countries, all having tax treaties with the United States, received almost 90 percent of all U.S. source income. The United Kingdom was the largest recipient, receiving $3.1 billion in 1984. The past leader, the Netherlands Antilles, received $2.8 billion. Tax haven countries continued to receive mostly interest and to have a greater-than-average percentage of payments to corporations.

DATA SOURCES AND LIMITATIONS

Payers of most U.S. income to foreign persons must withhold tax in accordance with the Internal Revenue Code. The Form 1042S, Income Subject to Withholding Under Chapter 3, Internal Revenue Code (now entitled, Foreign Persons' U.S. Source Income Subject to Withholding), is filed to report this income and the U.S. tax withheld. Often the payer has a financial institution act as the withholding agent.

The present statistics are tabulated by calendar year, based on all Forms 1042S filed for 1984. The years indicated in the tables represent the year in which the income was paid and the U.S. tax withheld, except for U.S. tax withheld by foreign governments and withholding agents. These latter amounts are shown by the year the tax was remitted to the United States under treaty agreements. This additional tax cannot be properly attributed to specific income types and years.

Tax withheld amounts and percentages shown in Table 2 and Figures A, B, and D through I, do not include tax withheld by foreign governments and withholding agents (except for Canada which remitted its payments during the same calendar year). Income that is "effectively connected" with a foreign person's U.S. trade or business is not subject to withholding, and is therefore generally not included in these statistics [16, 17].

Since all Forms 1042S are included in the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling error such as computer data entry errors and minor taxpayer reporting errors. Forms 1042S with income greater than $500,000 were manually verified. A limited computerized program was used to test the data for certain basic numerical relationships, including the calculation of the correct tax withheld.

EXPLANATION OF SELECTED TERMS

Foreign Person.--For purposes of this article, a foreign person is an individual whose residence (for tax purposes) is not within the United States and who is not a U.S. citizen. Corporations and other organizations created or organized outside the United States are also considered foreign persons.

Resident (of a jurisdiction other than the United States).--A resident is a foreign "person" as described above.

Income Effectively Connected With a Trade or Business.--Income that is "effectively connected" with the conduct of a trade or business in the United States is exempt from withholding. This income is subject to substantially the same tax rates that apply to U.S. citizens, residents, and corporations. Even if a foreign corporation has an unincorporated operation in the United States, a Form 1120F must be filed and appropriate taxes paid for the income of this operation. When income is then remitted to the foreign corporation, it is considered connected with a U.S. trade or business and not retaxed. In all but rare (and indeterminable) circumstances, these amounts are not included in these statistics.

Nominee and Fiduciary.--An entity chosen or appointed to accept income for, or act on behalf of, the eventual recipient of the income. Typically a financial institution acts as a nominee or fiduciary.

Withholding Agent.--Any person (individual, corporation, partnership, estate, or trust) required to withhold tax. Usually the withholding agent is the payer of the income or a "person" (usually a financial institution) acting on behalf of the payer. A foreign nominee or fiduciary required to withhold additional tax under a tax treaty is also a withholding agent.

NOTES AND REFERENCES

[1] For an explanation of portfolio interest and other types of interest that are exempt from tax, see U.S. Department of the Treasury, Internal Revenue Service, Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations, November 1985.

[2] Senate Report 99-130, "Crime and Secrecy: The Use of Offshore Banks and Companies," Report by the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, U.S. Senate., August 28, 1985, pp. 100, 101 and 145.

[3] Eurobond placements are U.S. corporate bonds placed in foreign markets that are denominated and sold in dollars and also yield dollar interest. See Scholl, Russell B., "The International Investment Position of the United States in 1984," Survey of Current Business, U.S. Department of Commerce, June 1985, p. 29.

[4] Ibid., p. 31.

[5] The term "territories" is used here to identify jurisdictions associated with (or formerly associated with) the British Commonwealth as republics, dominions, independent members and republics, associated states, British crown colonies and independent nations. "Territories" affected were Antigua, Belize, Dominica, Falkland Islands, Montserrat, St. Lucia, St. Christopher-Nevis, and St. Vincent. Former "territories" affected are Barbados, Gambia, Grenada, Malawi, Seychelles, Sierra Leone and Zambia.

[6] A new treaty with Barbados became effective on April 1, 1986.

[7] Former Belgian territories affected were Burundi, Rwanda and Zaire. As of 1986, none of these countries has signed a new treaty agreement with the United States.

[8] Computed using the GNP Implicit Price Deflator. See Economic Report of the President, February 1986, p. 256. The computations shown consider the effects of compounding.

[9] IRS Publication 515, op.cit., includes a discussion of specific treaty countries and their appropriate rates.

[10] See Senate Report 99-130, pp. 33 and 34, for a list of tax haven countries used in this figure.

[11] Tax-exempt organizations may be taxed on "unrelated business income". See IRS Publication 515, op.cit.

[12] Business services are generally not included in these data since they are assumed to be "effectively connected" with a U.S. trade or business and, therefore, are not subject to withholding tax.

[13] The $3.2 billion of foreign taxes withheld does not include tax withheld on payments to U.S. corporations that did not claim a foreign tax credit. No measurement of the excluded tax withheld is available. For additional information

on foreign withholding taxes by income type and country, see the article entitled "Corporate Foreign Tax Credit, 1982: A Geographic Focus" by Chris R. Carson in this issue of the Statistics of Income Bulletin.

[14] Scholl, Russell B., "The International Investment Position of the United States in 1982," Survey of Current Business, U.S. Department of Commerce, August 1983, p. 44.

[15] Ibid.

[16] Data for foreign corporations with "effectively connected" income derived from U.S. sources are presented in Statistics of Income--1979-1983, Compendium of Studies of International Income and Taxes.

[17] IRS Publication 515, op.cit., contains additional information about income paid to and tax withheld on foreign persons.

Table 1.--Forms 1042S for 1984: Number of Returns, Total Income Paid, Tax Withheld, by Selected Treaty and Nontreaty Countries, 1984

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	Income paid			Tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents	By foreign government and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	780,708	17,106,632	9,368,142	7,738,490	1,057,453	969,553	87,900
Treaty countries, total	643,716	15,607,203	8,503,088	7,104,119	910,555	822,655	87,900
Australia	15,581	62,653	16,703	45,950	7,592	7,592	-
Austria	3,411	24,635	15,790	8,845	1,556	1,556	-
Belgium	12,264	826,995	710,197	116,798	18,459	16,896	1,563
Canada	310,976	1,814,713	966,332	848,381	124,056	124,056	-
Denmark	2,497	13,492	8,313	5,179	737	734	3
Egypt	452	28,580	28,204	376	72	72	-
Finland	683	9,352	6,460	2,892	348	348	-
France	18,625	819,238	204,876	614,362	60,601	60,408	193
Greece	5,787	9,102	4,819	4,284	1,200	1,200	-
Ireland	5,776	16,870	5,781	11,089	1,633	1,633	-
Italy	9,190	66,465	25,292	41,173	8,227	8,227	-
Japan	12,264	1,393,545	146,343	1,247,202	130,418	130,418	-
Luxembourg	2,631	90,090	48,903	41,187	8,782	8,782	-
Netherlands	9,919	1,918,889	1,055,443	863,447	66,396	66,137	259
Netherlands Antilles	3,257	2,812,549	2,702,547	110,002	18,844	18,844	-
New Zealand	2,116	5,061	615	4,446	576	576	-
Norway	3,985	49,948	43,212	6,736	1,118	1,118	-
Poland	410	5,109	1,877	3,232	898	898	-
South Africa	2,554	5,739	444	5,295	1,452	1,452	-
South Korea	541	5,171	1,767	3,405	755	755	-
Sweden	6,237	99,950	24,553	75,397	6,723	6,723	-
Switzerland	23,904	1,450,913	314,813	1,136,100	226,525	141,565	84,960
Trinidad and Tobago	449	10,929	10,472	458	132	132	-
United Kingdom	136,555	3,091,489	1,462,897	1,628,592	179,093	178,172	921
West Germany	46,638	963,166	691,774	271,392	42,398	42,398	-
Other treaty countries	7,014	12,560	4,661	7,899	1,964	1,964	-
Nontreaty countries total	136,989	1,499,429	865,054	634,371	146,898	146,898	-
Argentina	5,749	15,879	7,845	8,034	2,185	2,185	-
Bahamas	2,430	46,280	14,857	31,423	9,072	9,072	-
Barbados	374	19,317	520	18,797	3,749	3,749	-
Bermuda	1,902	88,347	21,804	66,543	19,103	19,103	-
Brazil	3,440	20,830	12,345	8,485	2,527	2,527	-
British Virgin Islands	432	14,393	566	13,827	2,825	2,825	-
Cayman Islands	1,023	58,953	46,242	12,711	3,765	3,765	-
Hong Kong	10,886	65,494	27,296	38,198	11,235	11,235	-
Israel	4,877	12,156	3,044	9,112	2,272	2,272	-
Jersey	647	11,641	236	11,405	3,043	3,043	-
Kuwait	990	13,119	4,523	8,596	2,377	2,377	-
Liberia	439	23,329	13,634	9,694	2,883	2,883	-
Liechtenstein	968	26,400	9,162	17,238	5,138	5,138	-
Mexico	13,530	52,905	11,593	41,312	12,274	12,274	-
Panama	3,499	100,865	52,574	48,291	14,319	14,319	-
Portugal	1,381	28,816	876	27,941	1,395	1,395	-
Puerto Rico	4,366	7,295	4,494	2,801	824	824	-
Saudi Arabia	3,370	351,990	346,818	5,172	1,532	1,532	-
Singapore	3,571	26,709	22,144	4,565	1,345	1,345	-
Spain	5,726	39,260	22,791	16,469	4,558	4,558	-
Taiwan	1,572	11,131	8,589	2,543	738	738	-
United Arab Emirates	1,034	143,449	142,832	617	182	182	-
Venezuela	6,124	22,151	13,228	8,923	2,548	2,548	-
Other nontreaty countries	58,662	298,720	77,041	221,674	37,009	37,009	-

Table 2.--Forms 1042S for 1984: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1984

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All countries, total	780,708	969,553	17,106,632	10,035,675	5,617,707	899,427	155,629
Individuals	572,259	143,611	1,223,373	429,163	436,739	100,000	124,695
Corporations	60,256	545,401	11,678,090	7,220,590	3,490,617	725,928	19,778
Antigua	66	13	630	514	32	80	-
Individuals	46	3	20	2	10	4	-
Corporations	6	1	581	500	5	76	-
Argentina	5,749	2,185	15,879	9,473	3,614	397	799
Individuals	4,497	1,267	7,856	2,899	2,589	125	759
Corporations	89	587	2,081	1,591	179	257	35
Australia	15,508	7,544	60,856	15,516	23,405	14,415	4,790
Individuals	13,109	2,456	14,353	1,334	4,594	1,787	4,677
Corporations	681	3,120	30,230	11,918	9,939	7,886	73
Austria	3,411	1,556	24,635	13,615	7,952	469	850
Individuals	2,218	732	6,553	1,196	2,696	121	836
Corporations	122	310	9,378	7,203	1,914	250	10
Bahamas	2,430	9,072	46,260	14,210	25,314	2,826	317
Individuals	1,099	1,117	4,797	867	2,425	690	185
Corporations	630	4,148	22,388	6,110	11,315	2,128	-
Bahrain	598	624	3,532	2,470	1,007	13	8
Individuals	487	223	800	369	396	13	4
Corporations	28	281	2,150	1,907	239	-	-
Barbados	374	3,749	19,317	2,857	15,388	1/	-
Individuals	200	139	771	265	459	-	-
Corporations	109	3,502	17,551	3,263	14,287	-	-
Belgium	12,264	16,896	826,995	746,165	53,115	14,242	7,762
Individuals	8,717	1,713	13,300	3,039	6,010	291	1,911
Corporations	881	11,283	106,701	66,084	27,972	13,815	5,813
Belize	88	1,070	3,965	3,794	155	-	-
Individuals	70	6	50	2	33	-	-
Corporations	11	1,037	3,464	3,393	72	-	-
Bermuda	1,902	19,103	88,347	27,621	48,861	4,394	1,572
Individuals	1,006	7,224	8,280	1,200	5,900	34	763
Corporations	341	13,378	53,527	17,374	26,277	4,354	61
Bolivia	550	131	1,228	860	354	1	3
Individuals	472	116	763	429	318	1	3
Corporations	11	3	29	28	1	-	-
Brazil	3,440	2,527	20,830	14,813	2,474	664	2,228
Individuals	2,846	1,322	6,808	2,477	1,378	207	2,173
Corporations	130	803	12,226	11,481	315	400	-
British Virgin Islands	432	2,825	14,393	2,569	11,541	252	-
Individuals	192	322	1,357	77	1,228	28	-
Corporations	101	1,916	9,740	2,003	7,578	151	-
Bulgaria	252	126	444	109	25	1/	193
Individuals	226	122	431	105	24	1/	193
Corporations	10	1	4	1	-	-	-
Canada	310,976	124,055	1,814,713	842,491	715,657	130,400	18,875
Individuals	232,092	22,091	163,204	29,386	93,247	13,910	13,641
Corporations	25,464	61,763	1,218,893	690,512	349,701	108,658	3,327
Cayman Islands	1,023	3,765	58,953	48,515	9,042	1,039	94
Individuals	229	690	4,563	3,523	915	43	81
Corporations	427	1,415	35,326	30,827	3,306	991	13
Chile	1,970	970	4,194	1,160	2,249	290	278
Individuals	1,567	570	2,622	596	1,528	43	268
Corporations	86	222	743	316	214	212	-
China	1,152	813	4,157	275	1,714	261	135
Individuals	971	374	2,545	181	431	257	109
Corporations	28	335	1,116	22	1,088	2	-
China (Taiwan)	1,572	738	11,131	8,150	2,404	25	293
Individuals	1,376	528	2,431	624	1,234	20	288
Corporations	70	53	717	674	33	1/	5
Colombia	2,590	746	3,798	1,550	1,757	179	217
Individuals	2,150	541	2,468	803	1,255	112	164
Corporations	114	72	595	355	194	15	23

Footnote at end of table.

Table 2.--Forms 1042S for 1984: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1984--Continued

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Costa Rica	964	434	2,188	387	1,143	101	65
Individuals	746	267	1,515	272	610	93	63
Corporations	42	25	85	3	73	8	-
Czechoslavakia	405	505	2,148	278	102	242	1,291
Individuals	355	412	1,802	213	89	9	1,291
Corporations	12	61	204	21	2	182	-
Denmark	2,497	734	13,492	4,174	4,691	3,303	739
Individuals	2,182	346	2,941	248	1,303	134	672
Corporations	79	165	5,320	490	1,786	3,045	-
East Germany	411	257	2,692	1,540	394	330	279
Individuals	360	235	2,343	1,531	390	29	253
Corporations	8	3	161	9	1/	144	-
Ecuador	864	300	2,395	457	506	875	112
Individuals	742	275	1,609	266	428	360	112
Corporations	23	6	498	1	21	476	-
El Salvador	310	227	939	238	592	46	13
Individuals	266	196	788	183	504	41	13
Corporations	16	10	40	11	28	-	-
Finland	683	348	9,352	3,773	1,584	1,982	760
Individuals	583	157	1,804	309	201	12	759
Corporations	28	70	5,286	2,012	1,354	1,919	-
France	18,565	60,396	819,180	251,052	430,028	116,488	8,410
Individuals	13,737	5,584	64,669	12,908	16,091	20,863	8,127
Corporations	1,012	28,875	516,711	178,130	247,206	86,472	167
Gibraltor	87	75	264	18	236	10	-
Individuals	61	34	114	1	113	-	-
Corporations	18	30	113	7	95	10	-
Greece	5,787	1,200	9,102	2,249	3,562	127	569
Individuals	5,147	689	6,281	1,073	2,020	117	535
Corporations	107	115	1,131	761	368	1	1/
Guam	368	22	243	170	52	1/	-
Individuals	328	14	67	4	42	1/	-
Corporations	10	5	22	20	2	-	-
Guatemala	797	298	1,815	803	819	114	2
Individuals	665	229	860	157	510	114	2
Corporations	28	15	739	597	142	-	-
Guernsey	330	1,340	5,427	1,543	3,862	5	-
Individuals	74	194	918	350	555	-	-
Corporations	209	858	3,506	1,083	2,415	5	-
Honduras	738	248	1,366	123	434	17	329
Individuals	678	189	1,127	94	234	7	329
Corporations	14	38	151	20	122	10	-
Hong Kong	10,886	11,235	65,494	29,532	33,034	1,480	871
Individuals	8,386	4,285	16,980	2,235	13,139	454	783
Corporations	695	4,676	25,448	10,828	13,344	1,019	63
India	1,645	1,413	9,603	3,213	481	2,803	462
Individuals	1,453	501	5,080	1,924	326	41	429
Corporations	42	850	3,639	710	46	2,759	5
Iran	965	347	1,658	631	886	15	37
Individuals	822	264	1,192	376	681	15	27
Corporations	15	1	4	1/	4	-	-
Ireland	5,776	1,633	16,870	4,093	10,682	1,122	425
Individuals	5,174	469	4,671	554	2,069	1,097	424
Corporations	148	700	8,760	3,346	5,413	1/	1
Isle of Man	186	232	793	91	631	37	-
Individuals	127	108	367	54	241	45	-
Corporations	21	54	183	6	177	-	-
Israel	4,877	2,272	12,156	4,285	3,503	321	1,267
Individuals	3,949	1,241	7,161	1,417	1,647	228	1,256
Corporations	140	444	2,518	2,299	116	55	-
Italy	9,190	8,227	66,465	19,834	25,111	10,411	5,187
Individuals	7,710	5,064	27,906	2,992	7,167	7,327	4,959
Corporations	249	2,597	29,827	12,510	15,036	2,021	159
Jamaica	719	89	1,204	143	217	204	132
Individuals	628	64	868	86	160	20	132
Corporations	9	2	11	-	11	1/	-

Footnote at end of table.

Table 2.--Forms 1042S for 1984: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1984--Continued

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Japan	12,264	130,418	1,393,545	886,476	280,717	165,819	10,151
Individuals	9,641	10,958	114,850	93,305	5,861	1,645	8,816
Corporations	1,833	112,351	1,175,224	722,838	251,901	157,839	1,261
Jersey	647	3,043	11,641	789	10,606	19	71
Individuals	149	141	483	76	406	-	1
Corporations	152	1,415	5,865	239	5,402	-	68
Kuwait	990	2,377	13,119	7,347	5,642	12	26
Individuals	649	631	2,202	240	1,915	12	26
Corporations	89	1,141	4,899	2,757	2,074	-	-
Lebanon	1,681	720	4,922	2,017	2,172	205	174
Individuals	1,490	542	2,527	366	1,620	65	124
Corporations	21	42	139	17	72	-	50
Liberia	439	2,883	23,329	14,371	8,531	407	-
Individuals	306	240	1,148	337	765	41	-
Corporations	71	2,478	21,593	13,871	7,352	366	-
Liechtenstein	968	5,138	26,400	5,613	20,109	224	172
Individuals	344	1,120	4,880	584	4,202	2	21
Corporations	222	1,744	7,039	2,503	4,040	213	151
Luxembourg	2,631	8,782	90,090	46,281	42,461	22	112
Individuals	540	513	3,590	1,635	1,799	4	91
Corporations	839	4,111	43,765	22,121	21,438	17	-
Malaysia	1,059	169	1,119	510	466	22	37
Individuals	947	137	530	73	334	1	37
Corporations	20	11	484	433	31	21	-
Mexico	13,530	12,274	52,905	22,688	12,564	6,341	2,281
Individuals	11,746	5,593	23,459	5,229	8,433	5,203	2,228
Corporations	376	5,283	18,031	10,446	2,429	646	28
Monaco	495	1,199	5,756	1,133	3,909	69	368
Individuals	346	704	3,566	842	2,079	57	368
Corporations	38	159	585	79	506	1/	-
Morocco	187	226	1,144	208	695	23	105
Individuals	132	92	477	93	177	6	105
Corporations	13	15	107	15	92	-	-
Netherlands	9,919	66,137	1,918,889	995,643	865,187	39,645	2,770
Individuals	6,040	2,934	74,874	49,987	14,902	4,328	2,564
Corporations	1,330	53,738	1,723,846	900,950	777,083	34,220	30
Netherlands Antilles	3,257	18,844	2,812,549	2,619,895	115,981	62,090	422
Individuals	843	3,584	48,713	24,840	22,643	1,130	40
Corporations	1,553	11,016	2,608,174	2,475,626	59,230	60,680	98
New Zealand	2,116	576	5,061	2,982	1,063	216	349
Individuals	1,790	235	1,846	265	687	123	335
Corporations	83	42	320	45	212	62	-
Norway	3,985	1,118	49,948	41,595	5,542	883	614
Individuals	3,345	410	3,948	449	1,344	368	613
Corporations	127	478	43,197	40,145	2,671	376	1/
Panama	3,499	14,319	100,865	57,483	36,829	3,461	39
Individuals	1,617	2,314	12,175	4,889	6,595	246	29
Corporations	954	8,388	58,855	33,340	20,183	3,137	4
Peru	1,576	319	2,791	1,526	792	46	188
Individuals	1,262	241	1,876	945	577	33	116
Corporations	37	22	100	19	27	3	18
Phillippines	4,165	1,034	4,892	1,072	1,484	120	190
Individuals	3,597	878	4,026	660	1,101	118	190
Corporations	112	34	203	151	37	1	-
Poland	410	898	5,109	255	2,807	117	1,552
Individuals	376	71	2,105	130	92	14	1,492
Corporations	11	814	2,870	73	2,677	90	30
Portugal	1,381	1,395	28,816	3,573	24,680	40	326
Individuals	1,116	238	1,273	210	555	6	322
Corporations	37	15	409	345	26	34	4
Puerto Rico	4,366	824	7,295	5,497	478	978	202
Individuals	3,842	141	668	127	393	1	23
Corporations	266	629	6,243	5,316	30	887	4
Romania	149	57	328	78	18	2	201
Individuals	132	55	297	66	18	2	201
Corporations	10	1	6	4	1/	-	-

Footnote at end of table.

Table 2.--Forms 1042S for 1984: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1984--Continued

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Saudi Arabia	3,370	1,532	351,990	327,576	15,969	145	8,169
Individuals	2,855	1,164	6,706	816	3,005	145	2,632
Corporations	65	183	61,181	48,893	12,272	-	-
Singapore	3,571	1,345	26,709	10,809	5,241	61	110
Individuals	3,226	856	3,089	133	2,599	76	108
Corporations	119	342	14,661	2,769	1,596	5	-
South Africa	2,554	1,452	5,739	1,165	3,066	276	555
Individuals	2,307	1,025	3,878	1,064	1,481	134	540
Corporations	52	258	1,253	44	1,127	77	1/
South Korea	541	755	5,171	2,145	2,060	14	581
Individuals	435	92	1,247	235	151	13	545
Corporations	40	205	1,418	962	447	1	-
Spain	5,726	4,558	39,260	26,334	6,733	1,136	3,998
Individuals	4,716	2,394	10,896	2,375	3,255	319	3,924
Corporations	259	1,226	8,112	6,841	663	608	-
Sweden	6,237	6,723	99,950	10,213	66,344	13,006	6,988
Individuals	5,496	2,540	14,216	1,361	2,348	476	6,795
Corporations	157	3,289	78,939	8,198	58,337	12,297	32
Switzerland	23,904	141,555	1,450,913	463,715	909,130	55,332	4,021
Individuals	10,693	12,802	110,519	39,440	59,991	3,258	2,928
Corporations	3,186	83,094	908,647	321,252	527,160	49,092	1,087
Thailand	754	169	1,911	947	513	256	74
Individuals	663	117	879	105	340	255	64
Corporations	13	22	503	432	65	-	-
Turks and Caicos	39	147	518	450	49	19	-
Individuals	12	47	175	151	4	19	-
Corporations	15	90	304	274	30	-	-
U.S.S.R.	386	104	906	247	103	501	13
Individuals	327	94	410	246	71	39	13
Corporations	14	1/	446	-	1	444	-
United Arab Emirates	1,034	182	143,449	142,080	1,334	11	12
Individuals	930	124	432	121	287	11	1
Corporations	13	8	8,210	8,189	21	-	-
United Kingdom	136,555	178,172	3,091,489	1,560,455	1,308,979	144,309	33,651
Individuals	94,257	15,144	135,471	24,567	52,958	16,638	27,772
Corporations	12,230	80,495	1,980,017	1,047,497	794,585	102,864	5,573
Uruguay	1,104	710	5,598	3,022	2,352	35	15
Individuals	653	226	1,946	1,239	607	3	15
Corporations	63	221	1,258	454	719	1/	-
Venezuela	6,124	2,548	22,151	12,191	6,976	1,236	914
Individuals	4,932	1,931	16,400	9,575	5,284	235	828
Corporations	179	242	2,886	1,068	475	983	40
Virgin Islands - U.S.	2,105	187	1,789	605	887	234	47
Individuals	1,830	52	566	161	366	26	-
Corporations	39	75	787	335	197	208	47
West Germany	46,638	42,398	963,166	539,477	287,934	88,437	10,942
Individuals	34,600	8,791	150,133	69,984	37,207	15,756	9,266
Corporations	1,711	20,792	629,107	386,154	177,123	61,644	1,086
Yugoslavia	870	619	2,236	449	1300	41	67
Individuals	773	242	929	326	186	23	67
Corporations	11	270	914	27	870	16	-
Zimbabwe	129	47	166	20	107	-	-
Individuals	96	30	110	18	55	-	-
Corporations	14	10	33	2	29	-	-
Other countries	35,957	23,250	263,885	124,289	107,327	3,657	5,742
Individuals	25,466	6,799	40,823	15,278	14,858	477	5,214
Corporations	1,668	6,622	125,663	97,440	15,007	1,776	459

1/Less than $500.

Projections of Returns to be Filed in Fiscal Years 1987-1994

By Corman G. Franklin*

The number of primary tax returns and supplemental documents processed by the Internal Revenue Service (IRS) are projected to reach the 191.8 million mark in Fiscal Year (FY) 1987. This represents a 2.5 percent increase over estimated 1986 filings [1]. Current projections, following the trend established by last year's projections, continue to post declines in the rate of growth of total filings. After an estimated 5.0 percent increase in 1986, the year-to-year rate of growth in total returns to be processed by IRS is projected to progressively decline from 2.6 percent in 1988 to 1.9 percent in 1994. The level of increases, however, remain relatively constant, ranging between 3 and 5 million each year. None of these projections take into account the effects of the major tax reform legislation enacted in the fall of 1986.

Employment is an important determinant for estimating several different types of tax returns. Because of the high correlation between employed individuals and those filing individual returns, employment is especially important in projecting individual returns.

The 1986 employment estimates show the rate of growth decelerating throughout the 1987 to 1994 period (this trend was initially identified in 1984) [2]. Total employment is estimated to reach 104.6 million in 1986, a 2.3 percent increase over the 1985 actual, but the rate of employment growth is expected to decrease from 2.6 percent in 1987 to 0.8 percent in 1994. The decline in the rate of growth of employment is expected to be reflected in individual income tax return filings, so that a decline in the growth of these filings is anticipated.

Returns projections are developed by (1) using econometric models that relate the number of returns filed to selected independent economic and demographic variables and (2) extrapolating observed time trends. The forecasting models are initially formulated on a calendar year basis. Fiscal year projections are derived from calendar year statistics by various methods, including seasonal adjustment [3].

Except for the 1986 tax law revision, these fiscal year projections take into consideration the effects of past legislative, regulatory, and administrative changes on the filings of the various primary tax returns and supplemental documents. They do not quantify legislative or administrative changes which are under review.

TOTAL PROJECTED RETURNS AND DOCUMENTS

The total number of projected returns, as shown in Table 1, consists of (1) primary returns and (2) selected supplemental documents that are not a part of the IRS Master File system. Because collectively they make up the bulk of total filings, primary returns have traditionally generated most of the IRS document processing workload, and their relationship to total filings is expected to remain consistent throughout the 1987-1994 projection period.

Of the approximately 178.2 million tax forms filed in 1985, 170 million were designated as primary returns. Major elements of the primary returns category include: Forms 1040, 1040A and 1040EZ--U.S. Individual Income Tax Returns; Form 1040ES--Individual Declaration of Estimated Tax; Form 1120--U.S. Corporation Income Tax Return; and, Form 941--Employer's Quarterly Federal Tax Return.

Information documents processed by the Service, such as interest and dividend statements, and Form W-2, Wage and Tax Statement, are not included in the returns counted or projected in this article and, consequently, have been excluded from all of the previously discussed return categories. These various information documents, while large in volume (773.4 million were processed in 1985 and 823.9 million were expected in 1986), are mostly filed on magnetic media.

Figure A presents the average annual percentage changes for the major return types during the 1987-1994 projection period. Total returns increase by an average of 2.2 percent per year between 1987 and 1994. Projections

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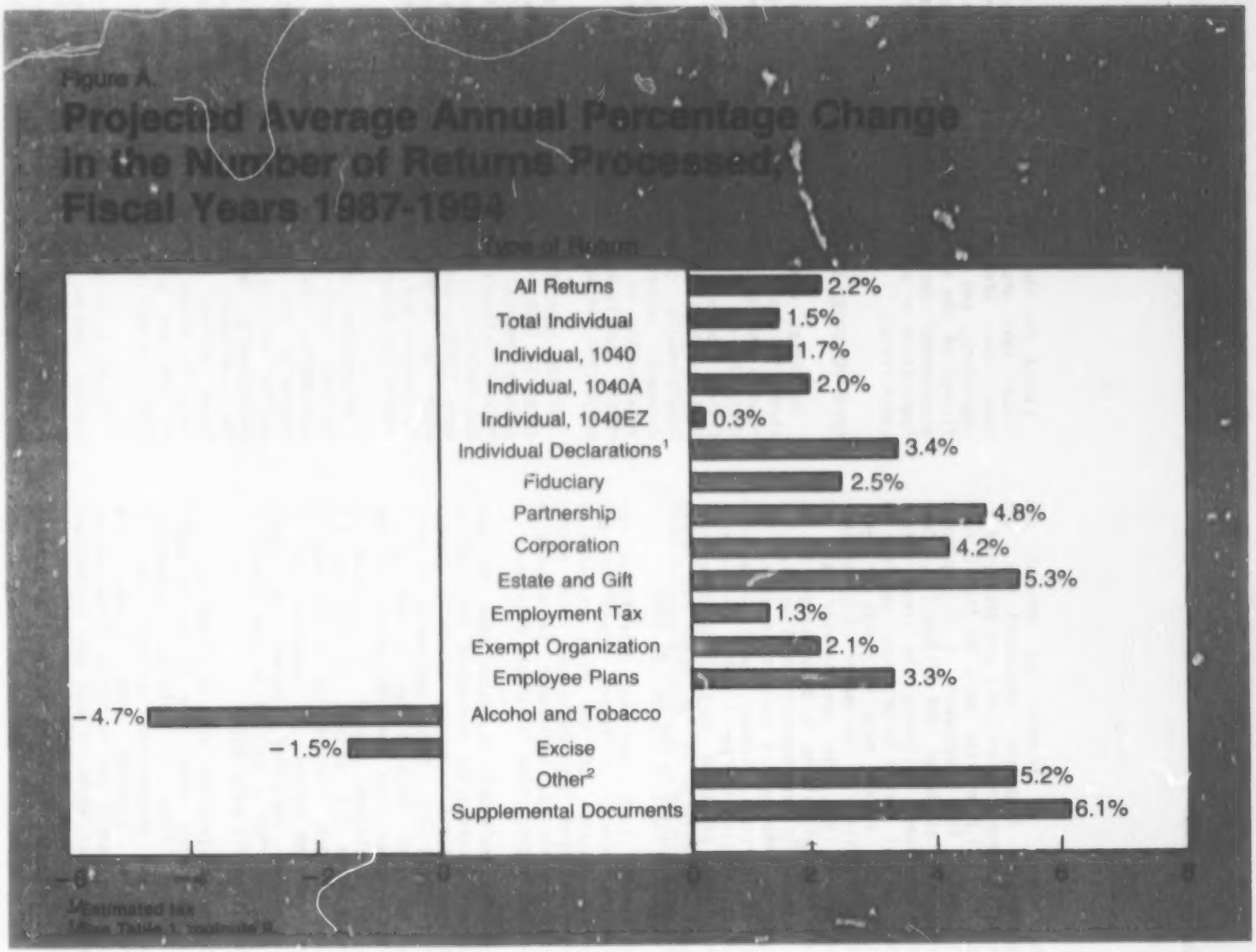
Prepared under the direction of James D. Swartzwelder, Group Chief.

Figure A.

Projected Average Annual Percentage Change in the Number of Returns Processed, Fiscal Years 1987-1994



[1]Estimated tax
[2]See Table 1, footnote 8.

for 1987 and the associated rates of change from 1986 to 1987 are presented in Figure B.

Figure B.--Projections for Fiscal Year 1987

Type of return	1987 Projection (thousands)	Increase or decrease from 1986
Total returns.....	191,795	+ 2.5%
Primary returns.....	181,421	+ 2.3
Individual.....	105,520	+ 2.7
Individual Declaration of Estimated Tax.....	36,413	+ 2.2
Fiduciary.....	2,212	+ 2.6
Partnership.....	1,866	+ 3.4
Corporation.....	3,668	+ 3.5
Estate and Gift.....	161	- 4.8
Employment Tax.....	28,306	+ 1.6
Exempt Organization...	487	+ 3.8
Employee Plans.....	1,404	+11.3
Alcohol and Tobacco 1/	405	-35.6
Excise 2/.....	954	-23.0
Other.....	20	+11.1
Supplemental Documents.	10,374	+ 6.5

1/An estimated 200,000 additional Form 11 returns were expected in 1986 because of a one-time alcohol floor stock tax.

2/The 1985 Form 2290 returns filed were not processed until 1986. This caused the decline in projected 1987 filings.

Individual Income Tax Returns

The rate of growth of individual filings is expected to decline from the record high increase in 1985 [4]. Deceleration in growth throughout the forecast period is attributable to revised employment projections which show declining growth through the mid-1990's. Current projections call for modest annual increases that average 1.5 percent per year.

Over the projection interval, the filing of Forms 1040 and 1040A are expected to increase slightly as a proportion of total individual filings, while Forms 1040EZ decrease. Growth in 1040EZ filings is expected to decline as the 18-24 year old workforce declines (18-24 year olds are the primary users of 1040EZ's) [5].

Figure C compares the number of Forms 1040, 1040A, 1040EZ and total individual returns expected to be filed in 1987 and 1994, respectively.

Individual Declarations of Estimated Tax

Projections of Individual Declarations of Estimated Tax (Form 1040-ES "vouchers") are developed from a regression of vouchers on the number of their taxpayer counterparts. Progressively higher taxpayer projections and the same "voucher-to-taxpayer" ratio forecasts result in progressively increasing growth in the number of Forms 1040ES. Current projections call for increases ranging from 2.2 percent in 1987, 3.5 percent in 1990, to 4.0 percent in 1994.

Fiduciary

Estimates of fiduciary income tax returns (Forms 1041) were prepared by regressing Form 1041 returns filed on current dollar personal income (a proxy for wealth) and the U.S. population. Fiduciary returns are projected to post small gains throughout the forecast horizon, ranging from 2.6 percent in 1987 to 2.3 in 1994.

Partnership

Partnership (Form 1065) return projections are closely allied to movements in current dollar personal income. This year's forecast calls for growth averaging 4.8 percent per year through 1994.

Corporation

A variety of forms, including U.S. Corporation Income Tax Return (Form 1120) and U.S. Income Tax Return for an S Corporation (Form 1120S), which are the two principal returns, comprise the corporation category. Total corporation filings are projected to show steady growth, with gains averaging 4.2 percent per year from 1987 through 1994.

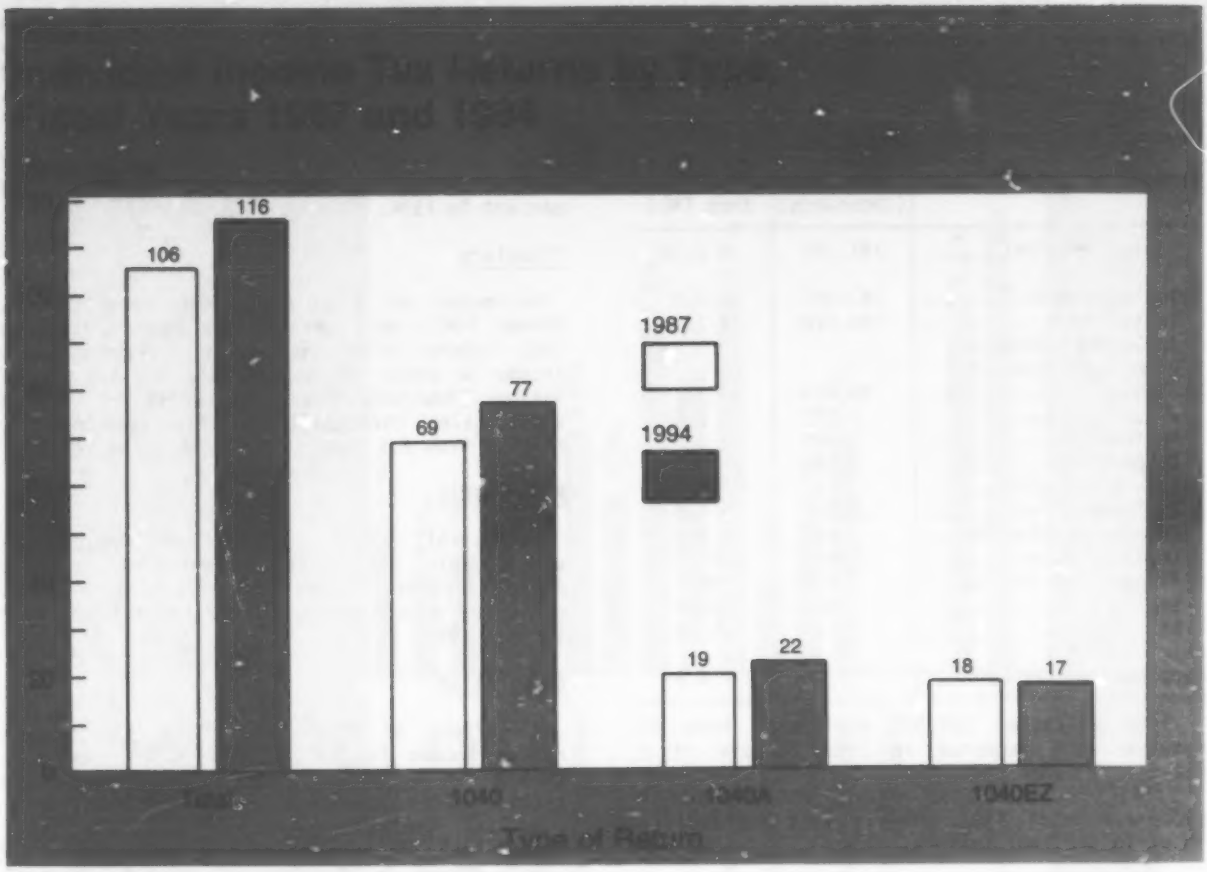
Estate and Gift Tax

The Economic Recovery Tax Act of 1981 stipulated that the filing threshold for a U.S. Estate Tax Return (Form 706) be gradually increased on an annual basis through 1988. Current projections reflect this rising threshold; the result is a decline in filings through 1988. After the filing threshold stabilizes in 1988, filings are expected to gradually increase throughout the balance of the forecast interval at an annual rate averaging 5.4 percent per year.

Filings of the U.S. Gift Tax Return (Form 709) are expected to grow rapidly and then taper off towards the mid-1990's. Year-to-year growth ranges from 14.4 percent in 1988 to 5.1 percent in 1994.

Employment Tax

Employment tax returns consist of employer's annual Federal unemployment tax returns, employer's annual/quarterly Federal tax return, and employer's annual railroad retirement tax returns. Projections for the forecast period



1987-1994 show small year-to-year increases that average 1.3 percent.

Tax-Exempt Organizations

A host of returns of tax-exempt entities, including those for farmers' cooperative associations, private foundations, and "other" exempt organizations, comprise this category of returns. The magnitude of this return category is dictated by changes in the "other" exempts, i.e., Form 990, Return of Organization Exempt From Income Tax, which accounts for approximately 80 percent of exempt organization filings. Total exempt organization returns projections show a declining growth throughout the forecast interval, with increases ranging from 3.8 percent in 1987 to 1.7 percent in 1994.

Employee Plans

Projections of employee plan returns (Forms 5500, 5500C, and 5500R) have been adjusted to include owner-employee plan participants that the Tax Equity and Fiscal Responsibility Act of 1982 will add to the filing population. It is anticipated that the Act will increase the filing population by over 500,000 returns, thus increasing 1986 filings by over 95 percent. In subsequent years, year-to-year advances will resume a more normal growth path, with growth averaging 3.3 percent per year from 1987 through 1994.

Alcohol and Tobacco

Forms 11 (Special Tax Return and Application for Registry) and 5000.24 (Consolidated Excise Tax Return Form) comprise the alcohol and tobacco returns category. Total filings are expected to post sharp declines in 1987 as a result of a one-time floor tax imposed in 1986, which increased Form 11 filings by an estimated 200,000. After 1987, total filings are expected to post declines ranging from 7.1 percent in 1988 to 0.8 percent in 1994.

Excise

Total excise tax returns are the sum of the following four categories of returns: (1) Form 11C (Special Tax Return and Application for Registry-Wagering); (2) Form 720 (Quarterly Federal Excise Tax Return); (3) Form 730 (Tax on Wagering); and (4) Form 2290 (Heavy Vehicle Use Tax Return). Processing of Form 2290 returns filed in 1985 were postponed until 1986. That accounts for the apparent jump in filings between 1985 and 1986. After 1986, total filings are expected to show only marginal growth, with annual increases ranging from 0.2 percent in 1988 to 1.1 percent in 1994.

Supplemental Documents

Supplemental documents are composed of amended returns and requests for filing extensions from both individuals and corporations. The current forecast calls for increases ranging from 6.5 percent in 1987 to 4.8 percent in 1994.

DATA SOURCES AND LIMITATIONS

The number of returns filed (as used in this article) represents returns processed at IRS service centers during a fiscal year [6]. Data for 1986 include actual returns processed through June, with the remainder of the year estimated, in general, on the basis of 1985 filing patterns.

To illustrate the general forecasting process, projections for the combined total of Forms 1040, 1040A and 1040EZ returns were developed based on a multiple regression relating total 1040 returns to total employment; an interaction variable involving both total employment and employed married women with husbands present (used as a proxy for potential joint filers); pension beneficiaries and annuitants; and a qualitative "dummy" variable which accounts for the effects of the Tax Reduction and Simplification Act of 1977 [7]. The historical base period for this regression was 1949-1986, with 1986 estimated on January-June processed returns and 1985 filing patterns.

Return projections were primarily formulated on a calendar year basis and subsequently converted to fiscal year projections by the Census Bureau's X11-Q Seasonal Adjustment Program by applying resultant seasonal factors to calendar year projections [8].

NOTES AND REFERENCES

[1] All statistics are cited on a fiscal year basis, unless otherwise noted. Actual counts for all of Fiscal Year 1986 were incomplete at the time this article was written (see the Data Sources and Limitations section). For complete counts, see U. S. Department of the Treasury, Internal Revenue Service, 1986 Annual Report, Commissioner and Chief Counsel, Internal Revenue Service (in preparation). As defined in Table 1, primary tax returns are equal to total returns minus supplemental documents.

[2] Employment projections were obtained from Data Resources, Inc. (DRI), in June 1986.

[3] For details of these methods, see U.S. Department of the Treasury, Internal Revenue Service, "Number of Returns to be Filed," Fiscal Year Projection series, Document 6292 (Rev. 8-86).

[4] See Franklin, Corman G., "Projections of Returns to be Filed in Fiscal Year 1986-1993," Statistics of Income Bulletin, Fall 1985, p.61.

[5] See Musselman, Bryan and Grayson, Paul, "Individual Income Tax Returns, 1983: A Demographic Snapshot," Statistics of Income Bulletin, Summer 1986, pp. 57-58.

[6] U.S. Department of the Treasury, Internal Revenue Service, 1985 Annual Report, op. cit.

[7] Projections of employed married women with husbands present, and pension beneficiaries and annuitants were made by the Projections and Forecasting Group, Research Division, Internal Revenue Service.

[8] U.S. Department of Commerce, Bureau of the Census, "The X11-Q Variant of the Census Method II Seasonal Adjustment Program," Technical Paper No. 15 (1967 revision).

Table 1. -- Number of Returns by Type, Fiscal Years 1985 - 1994
[Numbers are in thousands]

Type of return	Actual	Projected[1]								
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Grand total	178,218	187,136	191,795	196,855	201,505	205,521	209,862	214,535	218,890	223,077
Primary total	170,006	177,397	181,421	185,663	189,513	192,810	196,422	200,332	203,949	207,412
Individual, total	99,426	102,774	105,520	108,064	110,109	111,254	112,461	113,930	115,036	115,900
Form 1040	63,821	67,202	68,560	70,499	72,082	72,915	73,928	75,196	76,065	76,742
Form 1040A	18,752	18,720	19,294	19,660	19,996	20,301	20,765	21,145	21,554	21,913
Form 1040EZ	16,711	16,694	17,513	17,749	17,872	17,878	17,605	17,420	17,244	17,069
Other[2]	141	158	153	156	158	160	164	169	173	176
Declaration of Estimated Tax	34,225	35,628	36,413	37,429	38,523	39,889	41,407	43,007	44,701	46,490
Fiduciary[3]	2,053	2,156	2,212	2,268	2,329	2,390	2,451	2,507	2,569	2,627
Partnership	1,717	1,804	1,866	1,930	2,012	2,117	2,232	2,354	2,482	2,618
Corporation[4]	3,303	3,543	3,668	3,811	3,979	4,153	4,364	4,558	4,746	4,932
Estate tax	77	74	55	44	43	45	47	50	53	56
Gift tax	95	100	111	127	142	158	171	184	195	205
Employment tax[5]	26,824	27,848	28,306	28,705	29,045	29,426	29,849	30,252	30,628	30,998
Exempt organization[6]	431	469	487	498	508	517	527	536	545	554
Employee plans[7]	644	1,261	1,404	1,432	1,461	1,492	1,532	1,563	1,592	1,624
Alcohol and tobacco[8]	397	549	405	378	375	371	369	366	363	360
Excise[9]	796	1,173	954	956	966	975	987	1,000	1,011	1,022
Other[10]	18	18	20	21	22	23	24	25	27	28
Supplemental documents	8,212	9,739	10,374	11,192	11,991	12,711	13,440	14,204	14,941	15,664
Form 1040X	1,789	1,938	2,037	2,140	2,247	2,341	2,433	2,524	2,611	2,701
Form 4868	4,037	4,881	5,388	5,906	6,419	6,893	7,387	7,909	8,418	8,919
Form 2688	930	1,373	1,304	1,396	1,470	1,515	1,554	1,599	1,636	1,665
Form 1120X	32	36	44	52	60	68	75	83	90	97
Form 1120-ND	---	---	---	1	1	1	1	1	1	1
Form 7004	1,390	1,473	1,564	1,660	1,757	1,854	1,951	2,048	2,145	2,242
Form 1041A	19	20	20	21	21	22	22	23	24	24
Form 1042	16	16	16	16	16	17	17	17	17	17

1 Projections based on counts of returns processed as reported on NO-TX-R-308 as of June, 1986.
2 "Individual, Other" includes Forms 1040NR, 1040PR, 1040SS and 1040C; excludes amended returns.
3 "Fiduciary" excludes Form 1041A.
4 "Corporation" includes Forms 1120, 1120-A, 1120-F, 1120-POL, 1120S, 1120-H, and other special purpose 1120's except as noted in footnote 10 and those included in Supplemental Documents.
5 "Employment Tax" includes Forms 940, 940PR, 941, 941E, 941PR, 941SS, 942, 942PR, 943, 943PR, and CT-1.
6 "Exempt Organization" includes Forms 990, 990PF, 990C, 990-T, 4720, and 5227.
7 "Employee Plans" includes Forms 5500, 5500-C, and 5500-R; and 5500-G and 5500-K in the historical period.
8 "Alcohol and Tobacco" includes Forms 7, 8, 4705, 4706, 4707, and 4708 for 1985; and only Form 11 and alcohol and tobacco excise tax returns after 1985. A one-time alcohol floor tax is included in 1986.
9 "Excise" includes Forms 11C, 720, 730, and 2290.
10 "Other" includes Forms CT-2, 941M, 941SWI, 990BL, and 1120-DISC/FSC.

Note: Detail may not add to total due to rounding.

Crude Oil Windfall Profit Tax, 1985

By Edward Chung*

Crude oil windfall profit tax (after adjustments) for the fourth quarter of 1985 was $1.0 billion. This was the lowest amount of windfall profit tax reported since the first full quarter (June 1980) for which the tax was reported. The total reported windfall profit tax after adjustments since the enactment of the Crude Oil Windfall Profit Tax Act of 1980 amounted to almost $78 billion through December 1985.

The Crude Oil Windfall Profit Tax Act imposed a Federal excise tax on domestic crude oil extracted on or after March 1, 1980. The tax was enacted in response to the planned phaseout of Government price controls on domestic crude oil. The Act was intended to tax a fair share of the additional revenues received by oil producers and royalty owners as a result of oil price decontrol, yet not adversely affect domestic production. Congress designated the windfall profit tax to be temporary, with a 33-month gradual phaseout. This phaseout will begin in January 1988, if $227.3 billion in net revenue (see the Definitions) will have been realized by then; otherwise, no later than January 1991 [1].

The formula to calculate the "windfall profit" (WP) is:

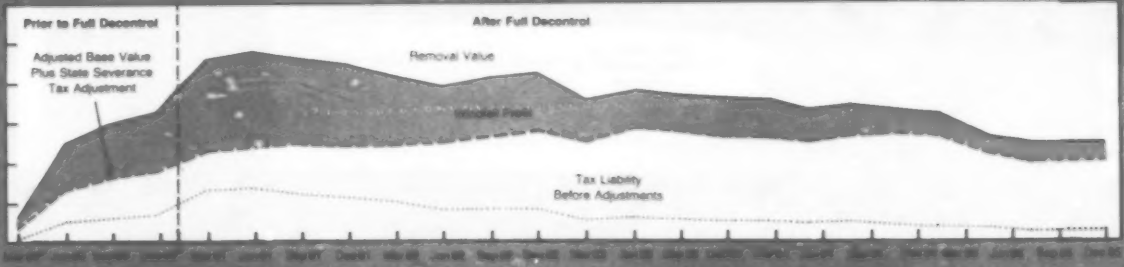
$$WP = RP - (ABP + SST)$$

where:

RP = Removal Price
ABP = Adjusted Base Price
SST = State Severance Tax Adjustment

The windfall profit declined from a high of $11.9 billion for the quarter ending June 1981 to $1.6 billion for the quarter ending December 1985 (Figure A) [2]. This decrease was a result of declines in the "removal price" (generally the price for which oil is sold) and rises in the "adjusted base price" and State severance tax adjustment (see the Definitions at the end of this article).

Figure A
Components of Windfall Profit Tax Liability Before Adjustments: Aggregate Values By Quarter Oil Removed, 1980-1985*



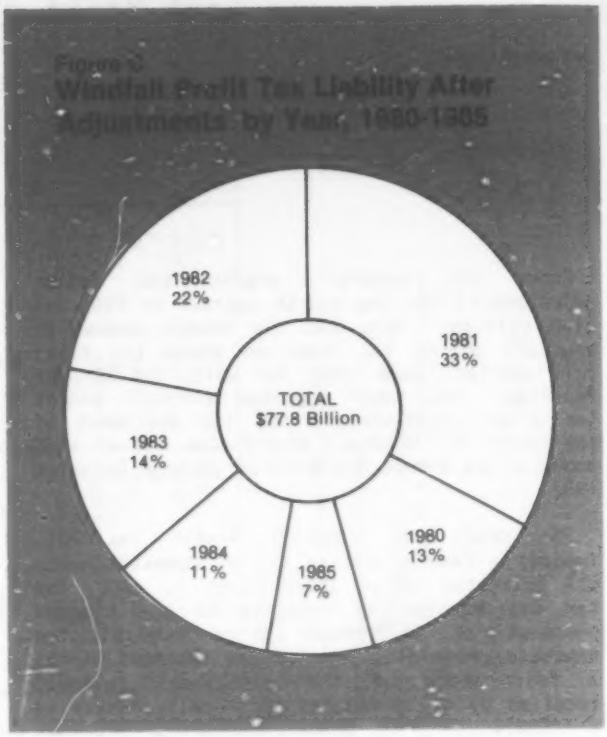
*Some volume values exclude crude oil quantity using inventory data for removal value, adjusted base value and state severance tax adjustment values. Adjusted to reflect values as if all crude oil removals had been reported.

*Foreign Special Projects Section. Prepared with the assistance of Patricia Slaughter under the direction of Michael Alexander, Chief.

Since June 1981, when the average removal price for domestic crude oil was at its height, the removal price had fallen by almost 23 percent, from $33.09 to $25.43 per barrel for the quarter ending December 1985 (Figure B).

The total windfall tax liability reported (after adjustments) for Calendar Years 1980-1985 totalled $77.8 billion. Of the total tax, 1981 accounted for the largest proportion (33 percent) and 1985 the lowest (7 percent)--a decline from 1981 to 1985 of 78 percent (Figure C). Some returns report windfall profit tax only; therefore, data for removal value, adjusted base value, State severance tax, and the resulting windfall profit have been adjusted to account for the missing detail. Concomitant with this decline in tax liabilities was a decrease in reported windfall profit of 78 percent from 1981 to 1985.

The immediate cause for falling profits was the combined effect of declining removal price (down by 36 percent from 1981) accompanied by a 1 percent growth in the sum of the adjusted base value and State severance tax (Figure D). The adjusted base price increased chiefly as a result of a required inflation adjustment derived from the Gross National Product (GNP) implicit price deflator [3].



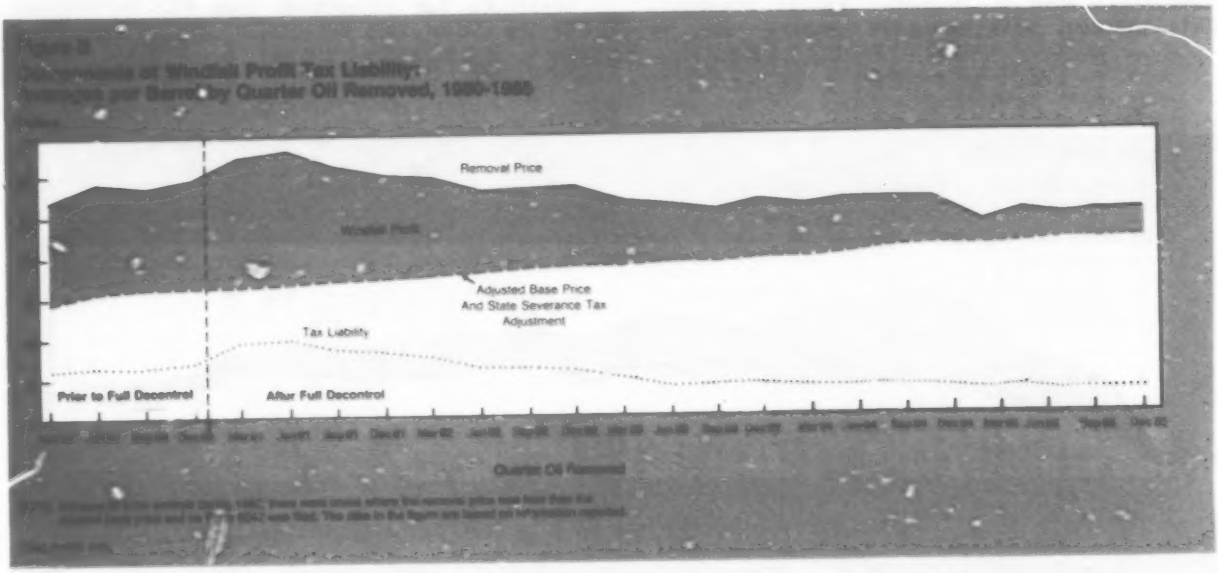


Figure D
Components of Windfall Profit Tax Liability After Adjustments, 1980-1985
Billions of Dollars
100
90
80
70
60
50
40
30
20
10
48.1
26.2
21.9
9.9
92.7
48.9
43.8
25.9
83.1
52.3
30.8
16.7
73.4
53.3
19.9
10.7
68.4
52.7
15.8
8.9
53.7
44.9
8.7
5.6
1980 2
1981
1982
1983
1984
1985
Year Oil Removed
1 Some returns report windfall profit tax liability only; therefore, data for removal value, adjusted base value, and state severance tax adjustment have been adjusted to reflect totals as if all returns reported this detail.
2 Represents only 10 months.
Removal Value
Adjusted Base Value And State Severance Tax Adjustment
Windfall Profit
Tax Liability After Adjustments

Figure E is a summary, by quarter, of tax liability before and after adjustments since the tax went into effect in 1980, as shown on windfall profit tax returns. The adjustments were necessary because of errors by withholding agents during previous quarters or, more frequently, because of application of the net income limitation.

Figure E--Windfall Profit Tax Before and After Adjustments

[Millions of dollars]

Quarter Ending	Tax Before Adjustments	Total Adjustments	Tax After Adjustments
Total	$83,668	-$5,911	$77,757
Mar. 1980[1] ...	788	-	788
June 1980 ...	2,842	-21	2,821
Sept. 1980 ...	3,413	-88	3,325
Dec. 1980 ...	3,918	-927	2,991
Mar. 1981 ...	6,953	+242	7,195
June 1981 ...	7,253	-107	7,146
Sept. 1981 ...	6,344	-251	6,093
Dec. 1981 ...	6,007	-497	5,510
Mar. 1982 ...	5,222	-221	5,001
June 1982 ...	4,283	-295	3,988
Sept. 1982 ...	4,404	-445	3,959
Dec. 1982 ...	4,440	-634	3,806
Mar. 1983 ...	3,320	-193	3,127
June 1983 ...	2,951	-203	2,748
Sept. 1983 ...	2,822	-300	2,522
Dec. 1983 ...	2,736	-465	2,271
Mar. 1984 ...	2,622	-228	2,394
June 1984 ...	2,468	-218	2,250
Sept. 1984 ...	2,447	-200	2,247
Dec. 1984 ...	2,236	-256	1,980
Mar. 1985 ...	1,850	-117	1,733
June 1985 ...	1,653	-132	1,521
Sept. 1985 ...	1,442	-146	1,296
Dec. 1985 ...	1,254	-209	1,045

[1]One month only.

The net income limitation generated an adjustment because it limits the windfall profit to 90 percent of the net income per barrel of oil and was estimated by certain taxpayers for the current quarter ending December 1985. The adjustments to the previous quarter were for under- or over-withholding from previous quarters that the depositing or withholding agent (usually the first purchaser) corrected by adjusting the amounts withheld in succeeding quarters. Producers claimed as a refund or a credit on their income tax returns additional over-withholding of windfall profit tax, due to error or the net income limitation, that was not corrected by the withholding agent. The amount of the two types of tax adjustments for the fourth quarter of 1985 is shown below:

Adjustments to tax, fourth quarter 1985
(Millions)

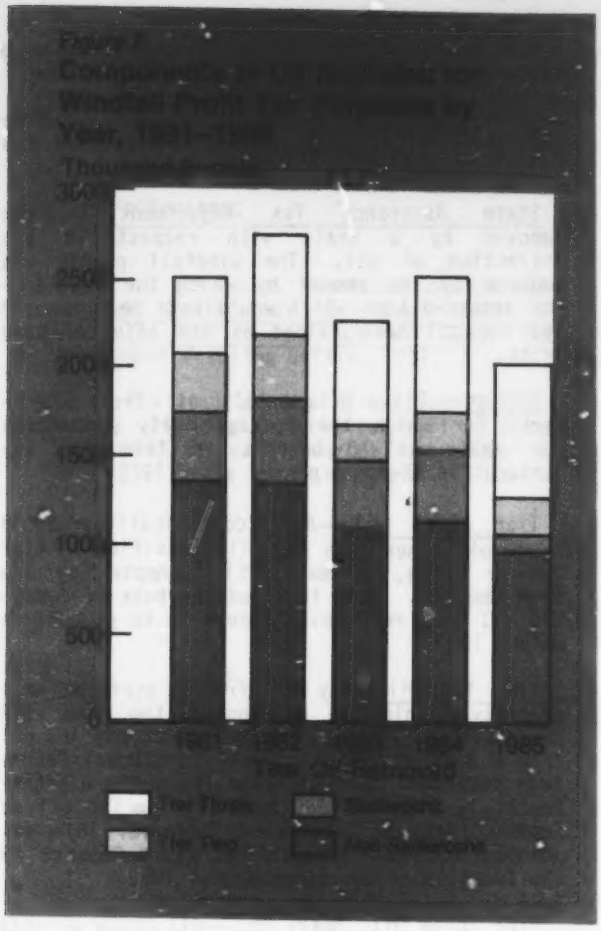
Net income limitation	-$190
Prior quarters	-19
Total Adjustments	-$209

Based on returns of taxpayers that provided complete detail on the windfall profit tax computation [4], "tier one oil" continued to dominate production for the quarter ending December 1985. Tier one oil (all domestically produced crude oil other than oil specifically classified as tier two or tier three, or oil explicitly exempted from the tax) represented 46 percent of total production. "Tier two oil," which represented 11 percent of total production, is oil produced from stripper well property not qualifying for the stripper exemption and oil from economic interests in a Naval Petroleum Reserve held by the United States. "Tier three oil," which is heavy oil, incremental tertiary oil and newly discovered oil (the latter represented 53 percent of tier three oil), accounted for 43 percent of total production (Figure F). Since the inception of the tax, tier three oil, which is generally taxed at a rate lower than tier one oil, has accounted for a steadily increasing percentage of total production.

DATA SOURCES AND LIMITATIONS

The windfall profit tax is reported on the Quarterly Federal Excise Tax Return, Form 720. Form 6047, Windfall Profit Tax, shows how the tax is computed and is filed as an attachment to Form 720. Tabulations in this article are based on the Forms 6047 reporting a tax liability. Therefore, total domestic taxable production will be somewhat understated. Returns are due 2 months after the end of the quarter in which the oil is removed. Data are based on all returns with a tax liability of $1 million or more before adjustments and a 10-percent sample of all other returns.

Sampling and nonsampling error was controlled by a variety of methods. Although efforts were made to secure missing returns, some returns may have been omitted because of time and other statistical processing constraints. Attempts were made to correct imbalances in taxpayer entries for the components of windfall profit. If this proved impossible, an out-of-balance return was treated as a return on which the components were not reported, and therefore only the tax liability for each tier was tabulated from it. However, for returns that did not report the tax computation detail (for Figures A and D only), the components were estimated using a factor derived from the relationship of the tax liability for those reporting all of the tax computation detail to the total reported tax liability. A number of



verification checks were performed at all stages of manual data abstraction and computer compilation.

The Statistics of Income Bulletin also includes data on excise tax collections. The excise tax collection figures show the liability after adjustments, as reported on Form 720, from returns entered into the Internal Revenue Service (IRS) computerized Business Master File (BMF) each quarter. A number of considerations affect comparisons of data from these two sources. Returns are not due until 2 months after the close of the taxable quarter; however, the interval between the close of the taxable period and the final recording of the return often varies, so that the quarterly BMF totals may represent more than one taxable period. On the other hand, the data presented here have been tabulated for specific taxable periods. As a result, the two sets of statistics are not directly comparable.

DEFINITIONS

The follwoing are brief definitions of the terms used in the tables.

Adjusted Base Price.--The base price multiplied by the "inflation adjustment," which was derived from the Gross National Product (GNP) "implicit price deflator."

Adjustments to Tax Liability.--Corrections applied to the current quarter's tax liability to correct for the "net income limitation" and over- and under-withholding in previous quarters.

Base Price.--For tier one oil, the upper tier ceiling price, as defined by Department of Energy price control regulations, which would have applied to the oil had it been produced and sold in May 1979, reduced by $0.21. For tiers two and three oil, the base prices were $15.20 and $16.55, respectively, adjusted for grade and quality.

Crude Oil.--The term applied only to natural crude petroleum and did not include synthetic petroleum, such as oil from shale or tar sands. It did, however, include natural gas liquids treated as crude oil under the June 1979 energy pricing regulations issued by the Department of Energy.

Deposit Requirements.--The timing of any first purchaser to deposit amounts withheld depended on the identity of the first purchaser. Major refiners, other than independent refiners, were required to make semi-monthly deposits of the withholding tax. All other first purchasers were required to make withholding deposits no later than 45 days after the oil was removed from the premises, except independent refiners that purchased oil under delayed payments contracts. The latter were required to make deposits by the first day of the third month beginning after the month of removal.

Exempt Alaskan Oil.--Oil from a reservoir other than the Sadlerochit reservoir that had been commercially exploited by any well north of the Arctic Circle and oil produced north of the divides of the Alaska and Aleutian Ranges, and at least 75 miles from the nearest point of the Trans-Alaskan Pipeline System.

Exempt Charitable Oil.--Oil produced from economic interests held by qualified charitable medical facilities, educational institutions, and child care organizations (as defined in Internal Revenue Code section 170), if such interests were held on January 21, 1980, and at all times thereafter; and oil produced from interests held by a church on January 21, 1980, if, before January 22, 1980, the net proceeds

from such oil were dedicated to the support of a medical facility, educational institution, or child care facility.

Exempt Governmental Oil.--Oil produced from an economic interest held by a State or a political subdivision (including agencies and instrumentalities), the net income from which was used for public purposes.

Exempt Indian Oil.--Oil produced from mineral interests held by or on behalf of Indian tribes or individuals on January 21, 1980, which was one of the following: (a) production received by Indian tribes and individuals from Tribal Trust Lands (the title to such land was held by the United States in trust for the tribes); (b) production from land or mineral interests held by an Indian tribe eligible for services provided to Indians by the Secretary of the Interior; or (c) oil, the proceeds from which were paid into the U.S. Treasury to the credit of tribal or native trust funds pursuant to law. This exemption also applied to production by any Alaskan Native Corporation prior to 1991, including wholly-owned subsidiaries of such corporations.

Exempt Royalty Oil.--Qualified royalty owners were exempt from the windfall profit tax on two barrels of oil per day for each day of the calendar quarter for oil removed after December 31, 1981. For 1985 and thereafter, three barrels per day were to be exempt.

Exempt Stripper Oil.--Oil removed from stripper wells could qualify for exemption from the windfall profit tax if the following conditions were met:

(1) The oil had to be removed from a stripper well property after 1982;
(2) The oil had to be extracted by an independent producer;
(3) The oil had to be attributable to the independent producer's working interest in the property; and
(4) The stripper well property could not be a property transferred by a nonindependent producer on or after July 23, 1981.

Net Income Limitation.--The windfall profit on a barrel of oil could not exceed 90 percent of the net income attributable to the barrel.

Net Revenue.--This equaled the gross revenue from the windfall profit tax or excise tax (excluding that amount attributable to U.S. Government interests), less the reduction of income tax resulting from taxpayers claiming income tax deductions for windfall profit tax paid. Figures presented in this report are the gross tax liabilities reported by the withholding agents on Form 6047 and are before the reductions mentioned above.

Removal Price.--Generally, the price for which a barrel of oil was sold. In some instances, a constructive sales price was used.

Sadlerochit Oil.--Crude oil production from the Sadlerochit reservoir in the Prudhoe Bay oil field in Alaska.

State Severance Tax Adjustment.--A tax imposed by a State with respect to the extraction of oil. The windfall profit was reduced by the amount by which the severance tax exceeded that which would have been imposed had the oil been valued at its adjusted base price.

Stripper Oil.--In general, oil from a property for which the average daily production per well was 10 barrels or less for any consecutive 12-month period after 1972.

Tier One Oil.--All domestically-produced crude oil other than any oil classified in tier two or three, or explicitly exempted by law from the tax. This included the bulk of domestic oil from reservoirs proven to be productive before 1979.

Tier Two Oil.--Any oil from a stripper well property within the meaning of the June 1979 Department of Energy pricing regulations and oil from a U.S. economic interest in a Naval Petroleum Reserve. Note that the Crude Oil Windfall Profit Tax Act of 1980 defined tier two oil as from a "National" Petroleum Reserve. This was amended to read "Naval" Petroleum Reserve by the Technical Corrections Act of 1982.

Tier Three Oil, Heavy Oil.--All crude oil (1) produced from property that had a weighted average gravity of 16.0 degrees or less on the American Petroleum Institute (API) scale, corrected to 60 degrees Fahrenheit, for the last month of production before July 1979, or (2) oil from a property with a weighted average gravity of 16.0 degrees API or less, corrected to 60 degrees Fahrenheit, for the taxable period.

Tier Three Oil, Incremental Tertiary Oil.--Production in excess of a base level on a property on which a qualified tertiary recovery project (one using one of several specific chemical, fluid or gaseous recovery methods to extract oil not recoverable using standard techniques) had been undertaken. The non-incremental oil (i.e., the amount of production up to the base level) remained in the otherwise applicable tier.

Tier Three Oil, Newly Discovered Oil.--Crude oil sold after May 31, 1979, and produced from (1) an outer continental shelf area for which the lease was entered into on or after January 1, 1979, and from which there was no production

in Calendar Year 1978 or (2) an on-shore property developed after Calendar Year 1978.

Windfall Profit.--The excess of the removal price of the barrel of oil over the sum of the adjusted base price and the State severance tax adjustment.

NOTES AND REFERENCES

[1] Staff of the Joint Committee on Taxation, General Explanation of the Crude Oil Windfall Profit Tax Act of 1980, U.S. Government Printing Office, 1981.

[2] Since the windfall profit tax has fallen to such a low level, statistics will no longer be published each quarter. However, the tables will be published annually in the Fall issue of the Statistics of Income Bulletin.

The table showing annual fiscal year receipts was not produced due to the data not being available at time of publication.

[3] The inflation adjustment, calculated by the Internal Revenue Service, Research Division, is published quarterly in the Internal Revenue Bulletin. (See Internal Revenue Bulletin 1985-37, September 16, 1985.)

[4] At the inception of the windfall profit tax (March 1980), taxpayers were not required to complete the detail called for on the Form 6047, which shows how the tax was computed. However, taxpayers were required to provide full information as of January 1981.

Table 1.--Windfall Profit Tax Liability by Oil Tier, Tax Rate and Aggregate Components of Windfall Profit, Quarter Ending December 1985

[Money amounts are in millions of dollars]

Oil tier and tax rate	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	466,675	11,874	10,160	81	1,634	1,248
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	197,913	5,133	3,631	61	1,440	1,050
Taxed at 50 percent	17,535	477	329	8	140	67
Tier one, Sadlerochit oil:						
Taxed at 70 percent	1,333	24	24	(1)	(1)	(1)
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	47,945	1,261	1,040	8	212	121
Taxed at 30 percent	2,092	44	37	(1)	7	3
Tier three oil (taxed at 30 percent):						
Newly discovered oil[2]	105,634	2,684	2,820	2	-139	4
Incremental tertiary oil	55,275	1,452	1,436	(1)	16	2
Heavy oil	38,948	799	842	(1)	-43	1
Returns with total tax liability only	-	-	-	-	-	6

[1]Amount is less than $500,000.
[2]Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
NOTE: Detail may not add to total because of rounding.

Table 2.--Average Windfall Profit Tax Liability for Returns Reporting Components of Windfall Profit by Oil Tier and Tax Rate, Quarter Ending December 1985

Oil tier and tax rate	Average daily production (000's) (barrels)	Average per barrel (in dollars)				
		Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	5,073	25.44	21.77	.17	3.50	2.67
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	2,151	25.93	18.34	.30	7.29	5.30
Taxed at 50 percent	191	27.20	18.76	.43	8.01	3.84
Tier one, Sadlerochit oil:						
Taxed at 70 percent	14	18.24	18.08	.01	.15	.12
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	521	26.30	21.70	.17	4.43	2.51
Taxed at 30 percent	23	21.13	17.78	.17	3.18	1.64
Tier three oil (taxed at 30 percent):						
Newly discovered oil[1]	1,148	25.40	26.69	.02	-1.31	.03
Incremental tertiary oil	601	26.27	25.97	(2)	-.30	.03
Heavy oil	423	20.51	21.61	(2)	-1.10	.01

[1]Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
[2]Amount under $0.005.
NOTE: Detail may not add to total because of rounding.

Table 3.--Exempt Oil Volume by Tier and Category, Quarter Ending December 1985

[Thousands of barrels]

Exempt oil	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total	75,116	10,809	45,002	17,107	1,582	615
Exempt governmental interest	11,461	7,251	730	2,059	947	473
Exempt charitable interest	796	312	302	89	80	13
Exempt Indian oil	931	316	158	304	144	9
Exempt Alaskan oil	11,473	114	-	11,359	-	-
Exempt royalty oil	10,114	2,817	3,470	3,296	411	120
Exempt stripper oil	40,342	-	40,342	-	-	-

NOTE: Detail may not add to total because of rounding.

Table 4.--Windfall Profit Tax Liability by Oil Tier, Tax Rate and Aggregate Components of Windfall Profit, January through December 1985

[Money amounts are in millions of dollars]

Oil tier and tax rate	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	2,035,908	51,080	42,399	381	8,300	5,901
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	907,689	23,800	16,279	282	7,239	4,984
Taxed at 50 percent	78,467	2,068	1,430	38	601	301
Tier one, Sadlerochit oil:						
Taxed at 70 percent	94,651	1,659	1,657	5	-4	18
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	197,701	5,098	4,151	36	911	517
Taxed at 30 percent	9,964	160	136	1	23	20
Tier three oil (taxed at 30 percent):						
Newly discovered oil[1]	428,153	10,682	11,143	14	-474	27
Incremental tertiary oil	192,280	4,948	4,864	5	79	27
Heavy oil	127,004	2,664	2,739	([2])	-75	6
Returns with total tax liability only	-	-	-	-	-	299

[1] Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
[2] Amount is less than $500,000.
NOTE: Detail may not add to total because of rounding.

Table 5.--Average Windfall Profit Tax Liability for Returns Reporting Components of Windfall Profit by Oil Tier and Tax Rate, January through December 1985

Oil tier and tax rate	Average daily production (000's) (barrels)	Average per barrel (in dollars)				
		Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	5,578	24.98	20.54	.19	4.25	2.97
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	2,487	26.30	17.82	.31	8.17	5.54
Taxed at 50 percent	215	26.11	18.06	.49	7.56	3.83
Tier one, Sadlerochit oil:						
Taxed at 70 percent	259	17.51	17.50	.06	-.04	.19
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	542	25.62	20.77	.19	4.67	2.64
Taxed at 30 percent	27	14.76	12.60	.13	2.03	2.15
Tier three oil (taxed at 30 percent):						
Newly discovered oil[1]	1,173	24.80	25.81	.03	-1.04	.07
Incremental tertiary oil	527	25.52	25.02	.03	.46	.18
Heavy oil	348	21.18	21.54	([2])	-.36	.06

[1]Newly discovered oil is taxed at 22.5 percent from 1984 to 1987.
[2]Amount is less than $0.005.
NOTE: Detail may not add to total because of rounding.

Table 6.--Exempt Oil Volume by Tier and Category, January through December 1985

[Thousands of barrels]

Exempt oil	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total	292,944	60,844	165,123	59,235	5,395	2,347
Exempt governmental interest	61,647	45,618	3,076	7,978	3,130	1,845
Exempt charitable interest	3,399	1,515	1,125	366	357	36
Exempt Indian oil	4,055	1,590	686	1,413	348	19
Exempt Alaskan oil	36,080	457	-	35,623	-	-
Exempt royalty oil	40,666	11,664	13,139	13,856	1,560	447
Exempt stripper oil	147,097	-	147,097	-	-	-

NOTE: Detail may not add to total because of rounding.

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NOTICE

The data on the following pages are the latest and most accurate available at time of publication. However, they are subject to continuous revision as more information becomes available. Data labeled as preliminary should be used with caution.

Table 1. — Individual Income Tax Returns: Selected Income and Tax Items for Selected Years, 1970-1984
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns:						
All returns	74,279,831	82,229,332	93,902,469	95,337,432	96,321,310	99,438,708
Joint returns	42,376,365	44,140,085	45,243,211	46,697,648	46,363,787	47,484,266
Total gross income, amount	639,357,791	962,886,872	1,642,345,558	1,917,022,530	2,023,982,876	2,229,649,431
Salaries and wages:						
Number of returns	66,965,659	73,520,046	83,802,109	83,106,842	83,120,588	85,925,617
Amount	531,883,892	795,399,462	1,349,842,802	1,564,995,190	1,644,572,655	1,807,137,587
Interest received:						
Number of returns	32,630,355	40,378,240	49,019,575	52,841,721	57,076,334	62,059,703
Amount	22,021,267	43,433,554	102,009,444	157,021,475	153,805,163	176,369,305
Taxable pensions and annuities:						
Number of returns	3,249,558	5,088,937	7,373,704	8,824,885	10,120,721	11,551,051
Amount	7,878,808	20,886,871	43,339,736	60,123,166	69,813,961	80,447,934
Dividends:						
No. of returns before exclusion	12,452,227	13,370,427	14,640,139	17,186,673	17,620,109	18,665,034
Amount	17,018,148	23,270,182	43,567,241	54,044,825	50,411,519	50,554,837
No. of returns after exclusion	7,729,939	8,853,491	10,738,982	13,172,360	13,326,556	14,259,407
Amount	15,806,924	21,892,126	r38,761,253	52,142,410	48,556,703	48,640,734
Net capital gain less loss:						
Number of returns	7,962,663	7,574,823	8,929,474	9,636,414	10,917,709	12,558,688
Amount	9,006,683	14,071,893	29,659,600	34,403,728	49,407,678	54,519,368
Business net income (less loss):						
Number of returns	6,159,985	7,242,542	8,881,119	10,092,322	10,682,124	11,237,218
Amount	30,554,201	39,421,478	55,129,154	50,573,164	60,359,154	70,766,610
Total adjustments:						
Number of returns	6,370,552	9,024,255	13,148,919	33,421,412	34,837,711	37,025,796
Amount	7,665,251	15,101,999	28,614,061	64,887,065	81,393,011	89,745,075
Married couple who both work:						
Number of returns	N/A	N/A	N/A	21,690,558	22,557,433	24,126,180
Amount	N/A	N/A	N/A	9,048,263	19,762,365	22,407,621
Individual Retirement Arrangement:						
Number of returns	N/A	1,211,794	2,564,421	12,010,038	13,613,167	15,232,856
Amount	N/A	1,436,443	3,430,894	28,273,852	32,060,627	35,374,424
Self-Employed Retirement (Keogh):						
Number of returns	591,655	595,892	568,936	559,011	656,038	648,958
Amount	847,692	1,603,788	2,007,666	2,482,594	2,937,980	4,072,409
Adjusted gross income	631,692,540	947,784,873	1,613,731,497	1,852,135,465	1,942,589,865	2,139,904,356
Exemptions:						
Total number	204,126,402	212,202,596	227,925,098	232,191,565	234,390,944	240,886,327
Number, age 65 or over	8,904,331	9,937,208	11,847,168	13,955,570	14,819,860	15,890,548
Total amount	127,531,204	159,140,845	227,569,280	232,142,140	234,390,944	240,886,327
Total deductions:						
Number of returns	73,862,448	81,585,541	88,491,251	90,283,236	90,816,724	94,855,579
Amount	120,549,755	233,181,778	346,000,155	425,157,106	448,667,194[1]	499,585,197[1]
Total itemized deductions:						
Number of returns	35,430,047	26,074,061	28,950,282	33,432,809	35,230,292	38,203,092
Amount	88,178,487	122,260,601	218,028,139	284,506,318	309,633,773	358,876,015
Medical and dental expense	10,595,749	11,422,312	14,972,082	21,705,262	18,074,335	21,450,276
Taxes paid	32,014,673	44,141,289	69,404,275	88,037,196	99,750,645	115,245,288
Interest paid	23,929,477	38,885,282	91,187,006	121,852,419	134,691,655	158,176,338
Contributions	12,892,732	15,393,331	25,809,608	33,471,694	37,677,955	42,119,812
Taxable income:						
Number of returns	59,593,598	65,852,602	88,104,696	89,717,836	90,816,724	94,178,183
Amount	401,154,285	595,492,866	1,279,985,360	1,473,348,899	1,544,872,497	1,701,365,731
Income tax before credits:						
Number of returns	59,596,755	65,854,734	76,135,819	78,349,842	80,610,882	84,440,481
Amount	84,156,695[2]	132,452,044	256,294,315	283,931,862	279,841,890	306,686,024
Total tax credits	369,610	8,069,846	7,215,839	7,854,493	r8,190,737[3]	9,263,308[3]
General tax credit	N/A	5,020,477	N/A	N/A	N/A	N/A
Investment credit	30,554	1,593,150	3,288,415	4,139,897	4,161,453	6,347,422
Foreign tax credit	169,623	381,985	1,341,645	757,326	617,749	738,014
Child care credit	N/A	N/A	956,439	1,501,453	2,051,462	2,648,834
Credit for the elderly	167,656	128,968	134,993	131,074	116,324	107,002
Residential energy credit	N/A	N/A	562,141	582,857	549,024	645,093
Earned income credit used to offset income tax before credits	N/A	252,141	451,366	359,717	314,499	280,783
Income tax after credits	83,787,323	124,382,197	249,078,475	276,077,369	271,651,153	297,703,498
Additional tax for tax preferences	121,988	144,100	1,262,964	1,519,921	2,530,170[4]	4,500,342
Total income tax:						
Number of returns	59,317,371	61,490,737	73,906,244	77,035,300	78,016,323	81,639,509
Amount	83,909,311	124,526,297	250,341,440	277,597,290	274,181,323	301,923,057
Payment status:						
Returns with payment due	16,478,813	15,842,400	21,755,516	20,326,807	18,467,829	21,157,790
Returns with refund or credit due	55,273,385	63,825,188	69,868,451	72,425,701	74,993,969	75,563,505

See notes following Table 13.

Table 2. — Individual Income and Tax by State, 1984
[Money amounts are in thousands of dollars]

State	Number of returns	Number of exemptions[1]	Adjusted gross income (AGI)	Salaries and wages		Dividends after exclusion	
				Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total[2]	99,752,249	239,616,963	2,134,035,012	85,071,114	1,781,778,658	14,128,770	51,039,143
Alabama	1,466,037	3,729,138	27,510,149	1,289,812	23,629,019	127,636	403,651
Alaska	235,342	541,176	6,521,339	209,237	5,935,380	55,035	61,434
Arizona	1,276,456	3,148,503	26,266,331	1,065,927	21,281,793	184,515	737,987
Arkansas	844,657	2,183,289	14,591,720	709,625	12,027,646	67,634	210,964
California	11,360,495	27,319,945	261,437,661	9,659,268	218,707,697	1,602,037	6,106,276
Colorado	1,410,396	3,252,922	31,260,319	1,216,918	26,693,694	208,977	635,461
Connecticut	1,539,588	3,408,010	39,026,841	1,324,526	32,524,805	311,475	1,335,259
Delaware	273,752	639,345	6,148,020	237,402	5,097,036	48,361	230,035
District of Columbia	316,428	648,554	7,142,767	273,781	5,550,460	44,738	268,233
Florida	4,905,553	11,594,614	101,264,658	3,914,520	72,842,092	857,128	4,558,531
Georgia	2,375,875	5,719,184	48,000,006	2,133,144	42,177,150	226,153	794,469
Hawaii	461,424	1,055,297	9,322,406	400,452	7,765,670	68,520	193,874
Idaho	368,546	990,884	6,577,681	304,436	5,480,486	44,599	123,598
Illinois	4,833,380	11,681,835	108,791,989	4,102,975	91,106,811	787,363	2,738,103
Indiana	2,237,755	5,525,994	45,223,206	1,906,784	38,501,781	255,626	723,368
Iowa	1,165,334	2,922,123	21,295,026	915,219	17,030,232	171,997	420,979
Kansas	1,010,998	2,496,801	21,020,130	834,098	17,088,564	140,992	415,424
Kentucky	1,342,328	3,354,595	24,936,186	1,136,154	20,881,422	126,511	453,931
Louisiana	1,644,979	4,229,245	33,071,191	1,449,850	28,111,751	151,982	529,954
Maine	488,025	1,155,368	8,698,656	418,654	7,084,108	65,093	249,268
Maryland	1,995,849	4,555,799	47,558,988	1,750,954	40,335,140	305,238	1,009,167
Massachusetts	2,722,247	5,953,060	61,671,995	2,356,725	51,139,848	466,420	1,702,087
Michigan	3,687,450	8,846,027	82,622,589	3,150,910	71,118,527	563,470	1,652,243
Minnesota	1,779,381	4,262,333	37,501,184	1,494,178	31,956,812	277,593	741,500
Mississippi	892,402	2,381,390	14,851,519	788,880	12,809,719	65,951	185,326
Missouri	2,053,771	4,983,834	41,834,149	1,718,416	34,660,520	267,990	1,003,425
Montana	339,743	842,948	5,758,469	270,198	4,626,452	51,468	133,706
Nebraska	674,745	1,671,184	12,147,832	543,807	10,069,618	93,451	241,259
Nevada	430,802	971,274	9,085,434	376,407	7,584,574	45,460	195,355
New Hampshire	462,335	1,052,678	9,988,865	405,530	8,344,754	70,454	265,783
New Jersey	3,675,451	8,555,020	89,340,546	3,201,037	75,690,379	689,227	2,269,956
New Mexico	571,773	1,455,538	10,432,983	493,780	8,834,702	64,001	203,293
New York	7,464,439	17,538,439	177,651,309	6,383,915	143,111,112	1,329,571	5,772,435
North Carolina	2,565,678	6,080,635	48,412,116	2,291,376	41,196,139	267,179	956,310
North Dakota	279,934	704,591	4,947,038	217,194	3,791,683	30,489	56,096
Ohio	4,446,458	10,681,804	93,270,160	3,794,796	79,290,060	631,406	2,035,990
Oklahoma	1,263,553	3,174,432	26,210,357	1,057,336	21,351,082	116,711	419,362
Oregon	1,109,872	2,687,189	21,581,695	908,679	17,488,438	160,883	487,132
Pennsylvania	4,982,979	11,698,481	101,855,139	4,171,500	83,578,761	803,045	2,690,682
Rhode Island	429,433	960,463	8,568,791	372,257	7,041,410	61,557	216,796
South Carolina	1,277,317	3,134,519	23,656,350	1,146,993	20,302,958	114,771	399,709
South Dakota	283,972	718,880	4,257,329	220,589	3,443,240	34,962	74,311
Tennessee	1,872,850	4,560,547	35,085,784	1,644,485	30,296,908	161,731	511,817
Texas	6,496,390	16,312,584	145,168,114	5,697,488	122,350,345	690,999	2,783,739
Utah	581,082	1,643,780	11,789,485	506,856	10,264,958	66,679	196,383
Vermont	225,343	523,894	4,126,972	192,524	3,353,959	39,506	150,819
Virginia	2,424,622	5,616,057	54,403,915	2,137,841	46,163,560	352,374	1,117,665
Washington	1,864,365	4,418,897	40,225,585	1,567,647	33,236,211	281,359	825,597
West Virginia	664,129	1,694,690	12,681,869	561,978	10,552,624	70,470	228,527
Wisconsin	1,999,972	4,789,147	39,810,558	1,693,936	33,752,634	298,598	861,136
Wyoming	207,546	521,993	4,372,968	178,774	3,777,118	26,153	92,381
Other areas[3]	469,018	1,028,034	5,058,643	271,346	10,746,816	85,232	368,357

Table 2. (Continued) — Individual Income and Tax by State, 1984
[Money amounts are in thousands of dollars]

State	Interest		Unemployment compensation in AGI		Itemized Deductions		
	Number of returns	Amount	Number of returns	Amount	Number of returns	Total Deductions	Average amount
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total[2]	61,764,997	176,077,712	4,433,578	5,941,097	38,803,369	357,953,970	9,225
Alabama	734,673	1,690,765	74,868	67,077	554,890	4,225,055	7,614
Alaska	149,113	283,085	25,136	46,049	93,000	1,051,437	11,306
Arizona	764,274	2,535,925	31,619	33,965	575,399	5,334,988	9,272
Arkansas	439,409	1,346,519	35,122	33,854	263,815	2,046,016	7,755
California	6,932,440	22,990,669	498,303	696,556	4,900,602	57,669,065	11,768
Colorado	917,793	2,415,561	49,442	67,974	660,809	6,583,216	9,962
Connecticut	1,122,224	2,974,001	70,970	78,958	590,781	5,864,975	9,927
Delaware	166,224	388,021	13,203	16,701	112,369	992,000	8,828
District of Columbia	152,386	429,500	6,159	10,147	125,205	1,337,924	10,686
Florida	2,877,667	12,514,788	86,162	107,238	1,645,345	15,198,557	9,237
Georgia	1,154,971	2,835,725	90,495	68,200	847,039	7,810,394	9,221
Hawaii	336,810	722,525	19,483	30,925	189,399	1,852,314	9,780
Idaho	232,642	653,898	22,346	28,600	148,914	1,228,345	8,249
Illinois	3,238,496	9,664,419	239,861	397,697	1,880,875	16,186,085	8,606
Indiana	1,396,756	3,519,319	104,306	102,314	754,052	5,731,069	7,600
Iowa	858,859	2,755,526	56,801	67,475	481,774	3,537,273	7,342
Kansas	666,179	2,090,323	39,208	45,791	405,123	3,379,652	8,342
Kentucky	729,630	1,950,357	73,897	76,275	490,420	3,624,231	7,390
Louisiana	833,107	2,369,123	85,416	145,280	535,576	4,615,720	8,618
Maine	306,169	623,087	20,541	20,920	144,804	1,098,377	7,585
Maryland	1,272,504	2,951,296	69,046	92,992	938,285	9,261,934	9,871
Massachusetts	1,952,674	4,489,950	114,388	164,808	1,071,732	9,386,369	8,758
Michigan	2,475,017	5,619,090	270,855	375,626	1,737,787	14,488,031	8,337
Minnesota	1,292,880	3,214,151	84,973	134,641	889,916	8,111,663	9,115
Mississippi	379,014	1,041,341	33,800	31,986	259,001	2,065,620	7,975
Missouri	1,294,489	3,866,987	85,183	71,027	730,339	5,754,817	7,880
Montana	227,268	705,501	18,718	25,003	128,060	957,008	7,473
Nebraska	464,074	1,463,991	19,892	20,622	232,763	1,913,057	8,219
Nevada	231,857	780,392	21,331	27,165	152,867	1,494,879	9,779
New Hampshire	315,819	684,510	17,650	17,141	148,399	1,243,640	8,380
New Jersey	2,450,145	6,573,756	166,338	260,509	1,434,792	13,713,251	9,558
New Mexico	302,271	821,022	15,463	18,815	186,565	1,538,830	8,248
New York	5,076,747	15,594,028	303,523	458,622	3,471,167	34,788,324	10,022
North Carolina	1,342,650	2,969,664	116,104	86,124	949,983	7,581,697	7,981
North Dakota	197,554	623,657	12,352	18,578	85,253	650,117	7,626
Ohio	2,860,906	7,082,159	230,337	349,611	1,611,069	13,455,573	8,352
Oklahoma	702,219	2,309,429	40,926	51,672	509,140	4,658,308	9,149
Oregon	731,949	2,142,371	67,234	92,619	497,492	4,335,801	8,715
Pennsylvania	3,375,360	8,256,718	337,134	523,718	1,748,152	13,671,387	7,820
Rhode Island	279,628	708,202	26,733	30,528	152,433	1,263,209	8,287
South Carolina	625,438	1,357,682	53,834	41,724	502,822	3,928,001	7,812
South Dakota	187,514	601,007	5,015	5,118	72,621	526,176	7,246
Tennessee	943,603	2,443,557	71,379	62,090	524,811	4,215,953	8,033
Texas	3,376,772	11,412,430	158,929	231,376	2,086,406	20,564,440	9,856
Utah	371,722	742,977	23,695	30,949	292,239	2,678,298	9,165
Vermont	150,513	329,092	9,237	10,038	73,808	572,055	7,751
Virginia	1,423,743	3,372,886	71,358	64,675	973,200	9,355,648	9,613
Washington	1,228,399	3,542,553	126,536	197,926	715,742	6,344,082	8,864
West Virginia	394,420	902,224	51,829	80,102	173,160	1,317,079	7,606
Wisconsin	1,468,345	3,441,301	152,285	203,424	869,584	7,248,391	8,335
Wyoming	133,674	379,770	10,070	12,603	75,523	630,797	8,352
Other areas[3]	226,007	900,882	4,093	7,269	108,067	872,842	8,077

Table 2. (Continued) — Individual Income and Tax by State, 1984
[Money amounts are in thousands of dollars]

State	Tax liability			Earned income credit			
	Total tax					Excess of tax liability	
	Number of Returns	Amount	Average tax	Number of returns	Amount	Number of returns	Amount
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
United States, total[2]	84,792,349	314,228,708	3,706	5,817,056	-1,653,907	4,244,270	-1,184,854
Alabama	1,213,417	3,624,991	2,987	152,493	-44,295	114,110	-32,434
Alaska	206,301	1,119,117	5,425	7,633	-2,012	5,069	-1,293
Arizona	1,077,849	3,546,875	3,291	76,747	-22,025	58,035	-16,521
Arkansas	694,900	1,890,354	2,720	86,961	-25,200	62,782	-17,717
California	9,641,659	37,923,424	3,933	680,605	-197,631	536,874	-154,380
Colorado	1,217,322	4,530,134	3,721	59,483	-16,839	42,167	-11,611
Connecticut	1,359,611	6,571,126	4,833	36,832	-10,041	25,545	-6,899
Delaware	236,306	893,486	3,781	14,158	-3,944	10,230	-2,838
District of Columbia	269,308	1,211,412	4,498	23,345	-6,734	18,250	-5,178
Florida	4,164,592	15,842,190	3,804	317,994	-91,648	228,383	-64,440
Georgia	2,009,150	6,637,944	3,304	200,529	-57,686	147,214	-41,547
Hawaii	392,619	1,224,322	3,118	17,085	-4,464	11,188	-2,940
Idaho	306,508	831,955	2,714	25,969	-7,431	17,847	-4,922
Illinois	4,115,059	16,921,715	4,112	236,719	-66,282	177,863	-49,119
Indiana	1,879,545	6,451,411	3,432	119,455	-33,527	85,495	-23,562
Iowa	975,559	2,955,652	3,030	59,511	-16,080	37,324	-9,528
Kansas	866,725	3,101,764	3,579	45,466	-12,557	30,491	-8,202
Kentucky	1,115,961	3,401,332	3,048	112,879	-32,372	78,702	-21,871
Louisiana	1,349,395	4,940,774	3,661	171,674	-49,246	131,653	-36,976
Maine	411,639	1,115,650	2,710	28,404	-7,968	19,011	-5,137
Maryland	1,742,179	7,498,313	4,304	84,822	-23,692	60,739	-16,749
Massachusetts	2,392,328	9,493,934	3,968	81,529	-22,853	57,245	-15,809
Michigan	3,131,703	11,765,561	3,757	151,138	-42,106	109,607	-29,869
Minnesota	1,528,293	4,948,611	3,238	70,342	-19,413	45,475	-11,637
Mississippi	709,395	1,908,928	2,691	137,867	-40,195	107,879	-30,617
Missouri	1,740,013	6,143,123	3,531	121,944	-34,177	84,917	-23,098
Montana	275,224	792,900	2,881	22,803	-6,335	15,490	-4,122
Nebraska	566,719	1,726,049	3,046	34,957	-9,572	22,117	-5,706
Nevada	368,593	1,417,961	3,847	20,928	-5,894	15,187	4,226
New Hampshire	403,276	1,496,998	r3,712	14,929	-4,092	9,710	-2,612
New Jersey	3,254,296	14,139,138	4,345	148,258	-41,352	106,635	-29,837
New Mexico	460,255	1,401,155	3,044	53,458	-14,952	41,170	-11,337
New York	6,518,246	26,999,427	4,142	419,762	-120,170	308,521	-86,704
North Carolina	2,172,911	6,331,115	2,914	196,299	-55,328	134,970	37,634
North Dakota	236,393	702,361	2,971	15,592	-4,213	9,270	-2,330
Ohio	3,791,923	13,066,043	3,446	208,330	-57,937	149,950	-40,874
Oklahoma	1,061,346	3,912,753	3,687	88,340	-25,668	62,964	-17,702
Oregon	930,945	2,792,315	2,999	60,188	-17,227	43,272	-12,019
Pennsylvania	4,246,134	15,100,412	3,556	227,307	-63,280	160,290	-43,912
Rhode Island	370,423	1,176,704	3,177	18,284	-5,106	13,131	-3,643
South Carolina	1,066,420	2,973,792	2,789	112,554	-32,293	82,146	-23,302
South Dakota	229,962	593,135	2,579	21,378	-5,824	13,203	-3,312
Tennessee	1,563,224	4,925,824	3,151	164,358	-47,062	118,213	-33,105
Texas	5,462,932	24,076,502	4,407	486,404	-141,089	367,373	-104,976
Utah	487,233	1,400,287	2,874	28,291	-8,011	20,193	-5,561
Vermont	192,569	542,700	2,818	11,977	-3,275	7,780	-2,034
Virginia	2,103,563	7,763,991	3,691	116,596	-32,684	80,215	-22,352
Washington	1,594,103	5,887,949	3,694	80,909	-22,576	58,232	-15,896
West Virginia	556,564	1,697,656	3,050	52,349	-14,485	38,177	-10,522
Wisconsin	1,690,730	5,193,758	3,072	79,776	-21,825	53,823	-14,014
Wyoming	175,503	671,805	3,828	10,011	-2,838	6,973	-1,889
Other areas[3]	265,526	951,880	3,585	1,434	-401	1,170	-340

See notes following Table 13.

Table 3. — Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1981-1984
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns for -		Total adjusted gross income		Taxable income	
	1981	1982	1981	1982	1981	1982
	(1)	(2)	(3)	(4)	(5)	(6)
Total	95,396,123	95,337,432	1,772,604,303	1,852,135,465	1,410,880,665	1,473,348,899
Less than $1000	3,484,734	3,412,105	-16,952,842	-22,324,833	7,084	29,646
$1,000 under $3,000	7,855,771	7,573,825	15,691,845	15,122,101	7,064,102	6,717,217
$3,000 under $5,000	7,405,871	6,966,104	29,580,649	27,925,256	17,994,684	17,168,389
$5,000 under $7,000	7,251,941	6,682,490	43,446,800	39,885,078	29,153,117	26,709,472
$7,000 under $9,000	7,066,520	7,176,962	56,341,030	57,512,193	40,597,471	40,904,714
$9,000 under $11,000	6,514,144	6,421,665	65,051,373	64,229,520	49,147,621	47,995,843
$11,000 under $13,000	5,821,233	5,651,414	69,702,815	67,793,416	54,207,411	52,526,932
$13,000 under $15,000	5,190,200	5,414,103	72,548,282	75,702,223	57,705,230	59,652,891
$15,000 under $17,000	4,648,986	4,734,479	74,256,678	75,594,637	59,486,499	60,951,455
$17,000 under $19,000	4,291,557	3,964,008	77,161,287	71,295,728	62,056,343	57,689,594
$19,000 under $22,000	5,967,094	5,365,925	122,157,450	109,806,080	98,703,455	88,855,846
$22,000 under $25,000	5,207,693	5,273,703	122,181,884	123,853,268	98,956,187	100,054,304
$25,000 under $30,000	7,205,282	7,621,965	197,424,953	209,572,367	159,682,521	169,726,189
$30,000 under $35,000	5,294,687	5,646,966	171,601,299	182,644,120	138,893,019	146,947,632
$35,000 under $40,000	3,910,649	4,215,650	145,814,841	157,391,914	118,288,891	126,471,828
$40,000 under $50,000	4,182,389	4,716,532	185,322,655	208,952,374	149,273,745	166,018,176
$50,000 under $75,000	2,796,836	3,057,266	164,256,670	179,566,469	131,174,316	141,376,967
$75,000 under $100,000	645,884	702,064	55,099,048	59,748,095	43,524,621	46,720,423
$100,000 under $150,000	398,479	432,757	47,552,689	51,674,638	37,518,693	40,228,978
$150,000 under $200,000	118,037	138,082	20,164,437	23,616,649	15,842,213	18,710,797
$200,000 under $300,000	80,945	93,033	19,350,168	22,323,087	15,230,276	17,807,227
$300,000 under $500,000	37,147	47,245	13,906,555	17,650,665	10,788,043	14,153,358
$500,000 under $1,000,000	14,758	20,681	9,815,188	13,830,843	7,416,993	11,042,159
$1,000,000 or more	5,286	8,408	11,128,551	18,769,578	8,168,130	14,888,860

Size of adjusted gross income	Total income tax[1]		Percent of filers with no income tax liability		Filers with income tax liability			
					Average tax (whole dollars)		Tax as percent of adj. gross inc.	
	1981	1982	1981	1982	1981	1982	1981	1982
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	284,128,989	277,597,301	19.6	19.2	3,703	3,604	16.5	15.4
Less than $1,000	137,840	130,288	99.5	99.6	8,626[2]	9,298[2]	-	-
$1,000 under $3,000	43,465	35,182	95.5	95.0	123	92	6.0	5.0
$3,000 under $5,000	516,050	475,448	41.7	41.9	120	117	2.9	2.8
$5,000 under $7,000	1,761,464	1,473,139	32.0	31.4	357	321	5.9	5.4
$7,000 under $9,000	3,306,387	2,967,854	18.1	20.7	571	521	7.1	6.5
$9,000 under $11,000	5,150,823	4,462,848	5.2	6.8	834	746	8.3	7.4
$11,000 under $13,000	6,531,708	5,566,452	3.2	4.0	1,160	1,026	9.7	8.6
$13,000 under $15,000	7,601,053	7,002,695	2.2	2.3	1,498	1,324	10.7	9.5
$15,000 under $17,000	8,355,068	7,766,398	1.8	1.5	1,830	1,665	11.5	10.4
$17,000 under $19,000	9,226,778	7,786,372	1.3	1.8	2,179	2,001	12.1	11.1
$19,000 under $22,000	15,609,261	12,725,118	1.1	1.2	2,645	2,399	12.9	11.7
$22,000 under $25,000	16,563,264	15,378,094	.9	1.3	3,209	2,956	13.7	12.6
$25,000 under $30,000	28,474,945	27,852,640	.6	.6	3,976	3,676	4.5	13.4
$30,000 under $35,000	26,910,961	25,867,035	.4	.5	5,103	4,605	15.7	14.2
$35,000 under $40,000	24,834,220	24,098,091	.3	.5	6,370	5,743	17.1	15.4
$40,000 under $50,000	34,847,163	35,029,801	.6	.5	8,379	7,468	18.9	16.9
$50,000 under $75,000	36,299,454	35,892,383	.5	.5	13,050	11,803	22.2	20.1
$75,000 under $100,000	14,715,265	14,594,818	.4	.4	22,867	20,865	26.8	24.5
$100,000 under $150,000	14,619,378	14,385,740	.4	.2	36,828	33,321	30.9	27.9
$150,000 under $200,000	6,886,418	7,483,155	.2	.5	58,439	54,447	34.2	31.8
$200,000 under $300,000	7,183,611	7,651,434	.2	.2	88,930	82,400	37.2	34.3
$300,000 under $500,000	5,566,282	6,380,687	.1	.1	149,990	135,233	40.1	36.2
$500,000 under $1,000,000	4,100,676	5,222,845	.1	.1	278,182	252,751	41.8	37.7
$1,000,000 or more	4,887,456	7,368,787	.1	.1	925,655	877,132	44.0	39.8

See notes following Table 13.

Table 3. (Continued) — Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1981-1984
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns for -		Total adjusted gross income		Taxable income	
	1983	1984	1983	1984	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Total	96,321,310	99,438,708	1,942,589,865	2,139,904,356	1,544,872,497	1,701,365,731
Less than $1000	3,415,113	3,329,148	-25,592,802	-31,984,443	75,549	63,799
$1,000 under $3,000	7,253,408	6,883,760	14,482,816	13,732,880	6,757,833	6,504,129
$3,000 under $5,000	7,167,924	7,030,537	28,679,137	28,151,199	17,374,119	17,251,761
$5,000 under $7,000	6,734,360	6,584,434	40,321,353	39,617,706	26,472,290	26,095,663
$7,000 under $9,000	6,879,931	6,792,931	55,039,361	54,388,545	39,153,168	38,888,493
$9,000 under $11,000	6,205,165	6,051,873	61,927,394	60,390,249	46,314,016	45,303,739
$11,000 under $13,000	5,724,798	5,877,979	68,522,507	70,439,379	52,529,347	54,708,664
$13,000 under $15,000	5,161,674	5,202,547	72,217,107	72,660,372	57,062,111	57,397,788
$15,000 under $17,000	4,593,795	4,893,833	73,350,227	78,195,614	58,956,588	62,489,602
$17,000 under $19,000	4,291,218	4,561,541	77,093,374	82,012,673	62,209,794	66,307,248
$19,000 under $22,000	5,617,176	5,645,759	115,071,603	115,466,828	93,320,322	93,889,175
$22,000 under $25,000	5,115,957	5,198,716	120,238,524	122,123,861	97,650,110	99,375,159
$25,000 under $30,000	7,357,487	7,635,404	201,763,983	209,274,643	163,111,031	168,006,165
$30,000 under $35,000	6,011,290	6,020,636	194,666,035	195,263,778	156,601,086	155,819,230
$35,000 under $40,000	4,409,645	5,054,470	164,664,066	188,944,011	131,804,272	149,423,027
$40,000 under $50,000	5,147,782	5,963,041	228,225,122	264,922,227	181,289,066	210,324,094
$50,000 under $75,000	3,591,188	4,657,702	211,838,450	275,046,849	166,095,719	214,921,141
$75,000 under $100,000	822,840	1,049,444	70,011,841	89,289,787	54,345,021	69,194,901
$100,000 under $150,000	469,391	581,498	56,206,333	69,273,546	43,403,109	53,604,014
$150,000 under $200,000	152,560	179,695	26,170,484	30,767,972	20,312,767	23,865,523
$200,000 under $300,000	108,379	132,306	26,016,239	31,729,787	20,642,936	24,405,339
$300,000 under $500,000	53,960	67,405	20,144,746	25,780,158	15,959,347	19,789,383
$500,000 under $1,000,000	25,469	29,215	17,173,250	19,729,296	13,706,293	15,798,723
$1,000,000 or more	10,800	14,834	24,358,715	34,687,437	19,726,601	27,938,970

Size of adjusted gross income	Total income tax[1]		Percent of filers with no income tax liability		Filers with income tax liability			
					Average tax (whole dollars)		Tax as percent of adj. gross inc.	
	1983	1984	1983	1984	1983	1984	1983	1984
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	274,181,323	301,923,057	19.0	17.9	3,514	3,698	14.5	14.4
Less than $1,000	127,789	419,790	99.7	99.2	13,249	16,783	-	-
$1,000 under $3,000	51,414	44,652	93.4	93.8	108	104	5.7	5.4
$3,000 under $5,000	409,533	430,167	42.0	40.8	99	103	2.4	2.5
$5,000 under $7,000	1,310,055	1,233,034	33.7	33.7	293	282	4.9	4.7
$7,000 under $9,000	2,603,057	2,483,282	21.2	21.3	480	465	6.0	5.8
$9,000 under $11,000	3,888,167	3,617,920	8.3	8.2	684	651	6.8	6.5
$11,000 under $13,000	5,012,113	5,013,506	4.2	5.2	914	899	7.6	7.5
$13,000 under $15,000	6,066,527	5,831,903	2.7	3.6	1,208	1,163	8.6	8.3
$15,000 under $17,000	6,809,411	6,785,324	2.4	2.0	1,518	1,415	9.5	8.9
$17,000 under $19,000	7,664,811	7,775,189	1.6	1.8	1,816	1,736	10.1	9.7
$19,000 under $22,000	12,163,958	11,677,768	1.2	1.5	2,192	2,100	10.7	10.3
$22,000 under $25,000	13,595,791	13,237,769	1.3	1.0	2,692	2,573	11.5	11.0
$25,000 under $30,000	24,354,551	23,793,004	.8	1.2	3,338	3,152	12.2	11.5
$30,000 under $35,000	25,156,554	23,926,881	.6	.7	4,208	4,004	13.0	12.3
$35,000 under $40,000	22,673,889	24,678,348	.8	.5	5,182	4,907	13.9	13.1
$40,000 under $50,000	34,798,186	38,675,241	.4	.3	6,787	6,504	15.3	14.6
$50,000 under $75,000	38,352,897	47,355,174	.4	.4	10,725	10,211	18.2	17.3
$75,000 under $100,000	15,392,973	18,759,377	.3	.4	18,770	17,944	22.1	21.1
$100,000 under $150,000	14,351,743	17,117,874	.4	.2	30,690	29,502	25.6	24.8
$150,000 under $200,000	7,662,455	8,644,645	.3	.2	50,365	48,205	29.4	28.2
$200,000 under $300,000	8,488,945	10,013,524	.2	.2	78,513	75,844	32.7	31.6
$300,000 under $500,000	7,124,258	8,761,557	.2	.2	132,313	130,272	35.4	34.1
$500,000 under $1,000,000	6,463,482	7,526,585	.2	.2	254,228	258,255	37.7	38.2
$1,000,000 or more	9,658,764	14,120,545	.3	.2	896,655	954,091	39.8	40.8

See notes following Table 13.

Table 4.—Nonfarm Sole Proprietorship Returns: Selected Income and Deduction Items for Selected Years, 1970-1984
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	5,769,741	7,221,346	8,931,712[1]	10,105,515[1]	10,703,921[1]	11,262,390[1]
Number with net income	n.a.	n.a.	n.a.	6,761,405	7,390,395	8,002,865
Inventory, end of year	11,060,775	15,578,040	21,996,236	21,804,915	n.a.	23,232,929
Business receipts, total	198,582,172	273,954,741	411,205,713	433,664,897	465,168,637	516,036,944
Income from sales and operations	n.a.	272,342,560	407,169,299	428,311,840	455,382,492	507,234,292
Total deductions	168,044,746	234,318,288	356,258,495	383,091,734	404,808,647	445,270,334
Cost of goods sold/operations	109,148,811	146,261,435	209,889,809	205,471,499	212,631,063	229,905,960
Purchases	88,585,913	117,722,352	168,301,517	161,295,256	n.a.	n.a.
Cost of labor	7,704,285	8,791,083	10,922,221	11,424,639	9,870,673	13,008,803
Materials and supplies	6,216,057	9,090,638	12,909,222	12,735,789	n.a.	n.a.
Commissions	1,274,016	2,225,830	3,333,345	4,464,026	n.a.	n.a.
Net salaries and wages	15,107,047	20,227,859	26,560,821	30,403,121	31,665,698	34,686,204
Car and truck expenses	n.a.	n.a.	13,378,289	n.a.	14,758,472	17,523,807
Rent paid	4,636,528	6,676,314	9,636,290	11,797,053	11,830,835	14,278,260
Repairs	2,444,607	3,044,175	5,031,573	6,006,403	n.a.	n.a.
Taxes paid	3,775,502	5,423,961	7,672,459	7,747,540	n.a.	n.a.
Utilities	n.a.	n.a.	4,790,337	n.a.	n.a.	n.a.
Insurance	2,309,608	3,503,812	6,003,126	6,448,494	n.a.	n.a.
Interest paid	1,784,276	3,390,845	7,190,257	10,143,489	9,925,746	11,025,276
Depreciation	5,451,525	7,958,143	13,952,703	19,121,559	22,069,530	23,900,034
Pension and profit sharing plans	72,741	125,296	141,463	136,359	122,915	258,070
Net income (less loss)	30,537,426	36,636,453	54,947,219	50,573,164	60,359,153	70,766,610
Net income, businesses w/profit	33,735,732	45,624,890	68,010,051	68,647,384	78,618,410	89,849,570
Net loss, businesses w/o profit	3,198,306	5,988,437	13,062,832	18,094,220	18,259,256	19,082,960

See notes following Table 13.

Table 5.—Partnership Returns: Selected Income Statement and Balance Sheet Items for Selected Years, 1970-1984
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of active partnerships	936,133	1,073,094	1,379,654	1,514,212	1,541,539	1,643,581
Number with net income	639,795	661,134	774,173	791,117	783,968	844,738
Number with balance sheets	555,741	783,271	1,194,236	1,217,386	1,190,696	1,201,320
Number of partners	3,697,818	4,950,634	8,419,899	9,764,667	10,589,338	12,426,721
Total assets[1]	116,752,751	235,468,301	597,503,923	845,281,449	886,992.767	1,030,848,519
Buildings/depreciable assets (net)	n.a.	113,124,969	239,139,823	310,846,376	485,402,717	581,643,219
Inventories, end of year	n.a.	11,985,431	33,218,272	100,728,688	n.a.	39,446,014
Land	n.a.	36,731,958	70,241,248	84,820,308	98,427,459	122,036,819
Total liabilities	n.a.	193,875,629	488,734,023	701,630,766	886,992,774	1,030,848,464
Accounts payable	n.a.	12,302,055	33,899,048	37,254,748	34,724,772	32,780,197
Short-term debt[2]	n.a.	22,709,476	48,001,839	73,277,805	67,294,519	68,625,844
Long-term debt[3]	n.a.	136,296,764	178,044,406	236,218,378	268,268,458	322,327,016
Nonrecourse loans	n.a.	n.a.	118,910,380	154,508,961	194,828,542	260,167,109
Partners' capital accounts	n.a.	41,592,672	108,769,900	143,650,646	141,839,683	175,475,922
Total receipts[4]	93,348,080	148,417,529	291,998,115	296,690,303	291,318,703	375,192,511
Business receipts[4]	90,208,834	142,505,781	271,108,832	251,608,987	243,248,370	318,342,380
Interest received	942,304	2,477,173	10,869,323	15,259,801	15,006,055	16,651,205
Total deductions[4]	83,557,684	140,679,959	283,749,460	304,004,833	r293,928,744	378,692,535
Cost of goods sold/operations	46,040,874	64,672,843	113,885,668	144,595,111	125,330,745	180,857,822
Purchases	31,820,581	42,608,734	70,439,607	96,111,197	n.a.	100,358,781
Cost of labor	4,146,927	4,585,836	7,015,547	7,183,865	n.a.	7,826,231
Salaries and wages[4]	8,129,233	12,489,039	22,336,337	23,204,883	24,733,780	28,522,626
Taxes paid	3,159,258	5,770,918	9,553,145	5,288,971	5,909,545	6,673,186
Interest paid[4]	4,470,206	12,097,100	28,362,385	21,517,044	22,364,264	25,437,588
Depreciation[4,5]	4,578,820	10,108,834	21,576,189	32,361,640	37,340,052	46,939,395
Net income (less loss)	9,790,396	7,737,570	8,248,655	-7,314,587	-2,610,041	-3,500,024
Net income, businesses w/profit	14,419,124	22,431,931	45,061,756	53,556,856	60,308,114	69,696,922
Net loss, businesses w/o profit	4,628,728	14,694,361	36,813,100	60,871,442	62,918,155	73,196,946

See notes following Table 13.

Table 6. — Number of Business Income Tax Returns, by Size of Receipts and Assets, for Selected Years, 1970-1984
[All figures are estimates based on samples — number of businesses are in thousands]

Size of business	Number of businesses reporting					
	1970	1975	1980	1982	1983	1984
	(1)	(2)	(3)	(4)	(5)	(6)
CORPORATIONS						
Receipt size[1]						
Under $25,000[2]	451.9	468.9	557.0	620.0	629.2	n.a.
$25,000 - $49,999	170.7	186.4	207.7	217.5	212.9	n.a.
$50,000 - $99,999	219.8	260.7	322.7	324.7	330.0	n.a.
$100,000 - $249,999	516.9	673.9	558.4	593.4	597.8	n.a.
$250,000 - $499,999			367.3	427.9	444.9	n.a.
$500,000 - $999,999	141.1	184.2	279.8	296.0	315.9	n.a.
$1,000,000 or more	165.0	249.5	417.7	446.4	468.3	n.a.
Asset size						
Under $100,000[3]	961.0	1,177.7	1,514.6	1,646.6	1,665.5	n.a.
$100,000 - $1 million	599.1	704.6	968.9	1,033.5	1,074.7	n.a.
$1 million - $10 million	87.0	116.4	191.8	206.5	218.3	n.a.
$10 million - $25 million	9.8	12.2	16.6	18.3	18.8	n.a.
$25 million - $50 million	3.9	5.6	7.8	8.9	8.9	n.a.
$50 million - $100 million	2.1	3.1	4.8	5.5	5.7	n.a.
$100 million - $250 million	1.4	2.1	3.2	3.5	3.6	n.a.
$250 million and over	1.2	1.9	2.9	3.2	3.4	n.a.
PARTNERSHIPS						
Receipt size[1]						
Under $25,000	501.7	549.7	638.0	758.8[4]	763.4[4]	801.6
$25,000 - $49,999	125.2	141.0	181.8	178.1	173.4	190.9
$50,000 - $99,999	119.6	133.7	183.6	190.6	203.7	205.6
$100,000 - $199,999	97.2	114.0	155.2	155.0	154.2	169.8
$200,000 - $499,999	65.2	90.6	135.6	137.8	143.7	156.7
$500,000 - $999,999	17.0	25.5	48.1	52.1	56.0	63.9
$1,000,000 or more	10.3	18.6	37.4	41.9	46.4	55.1
Asset size[5]						
Under $25,000	635.7	611.0	541.9	r642.1	r711.1	773.8
$25,000 - $49,999	80.8	105.9	156.3	143.8	115.5	118.6
$50,000 - $99,999	73.5	106.8	180.2	186.9	164.6	170.5
$100,000 - $249,999	74.7	116.0	219.1	209.6	207.0	208.5
$250,000 - $499,999	33.8	56.9	117.9	132.2	131.2	129.0
$500,000 - $999,999	19.3	35.3	72.1	83.7	86.3	93.8
$1,000,000 or more	18.3	41.2	92.2	115.9	125.8	149.4
NONFARM SOLE PROPRIETORSHIPS						
Receipt size						
Under $2,500	1,894.3	2,299.9	2,783.1	2,882.0	2,908.5	2,988.9
$2,500 under $5,000	815.1	959.4	1,158.6	1,220.9	1,313.9	1,324.4
$5,000 under $10,000	891.5	1,041.7	1,262.9	1,361.4	1,452.3	1,482.4
$10,000 under $25,000	1,137.4	1,325.7	1,711.8	1,738.5	1,916.6	2,036.4
$25,000 under $50,000	746.4	849.5	1,079.1	1,117.1	1,187.0	1,261.3
$50,000 under $100,000	562.0	644.5	835.6	843.6	919.3	1,061.3
$100,000 under 200,000	297.4	380.9	795.8	838.3	888.7	984.4
$200,000 under $500,000	122.3	209.2				
$500,000 under $1,000,000	20.8	35.3	73.9	68.1	82.9	86.1
$1,000,000 or more	6.6	13.5	29.2	35.6	34.9	36.8

See notes following Table 13.

Table 7. —Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Selected Years, 1970-1983
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Items	1970	1975	1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	1,665,477	2,023,647	2,710,538	2,812,420	2,925,933	2,999,071
Number with net income	1,008,337	1,226,208	1,596,632	1,597,298	1,608,363	1,676,288
Consolidated returns[1]	19,871	38,307	57,890	62,490	73,029	73,645
Small Business Corporation returns[1,2]	257,475	358,413	545,389	541,489	564,219	648,267
DISC returns[1,3]	N/A	6,431	8,665	9,408	9,663	9,898
Total assets	2,634,706,564	4,286,556,273	7,617,238,403	8,547,161,872	r9,354,138,695	10,201,084,144
Cash	176,924,573	290,426,439	528,914,747	533,472,168	r540,079,588	590,386,817
Notes and accounts receivable	614,667,367	1,051,542,806	1,984,601,790	2,239,832,960	2,420,475,398	2,677,367,962
Less: Allowance for bad debts	20,030,327	31,032,998	50,057,307	44,840,794	46,645,987	51,162,613
Inventories	190,401,642	317,718,545	534,806,547	588,219,956	581,241,455	599,445,162
Investments in Government obligations	196,625,390	316,131,699	472,059,737	514,837,697	605,513,662	685,146,228
Other current assets	73,058,482	145,101,716	310,177,160	320,511,852	436,507,859	433,594,597
Loans to stockholders	4,774,082	9,355,636	29,873,250	32,042,366	38,304,326	47,836,294
Mortgage and real estate loans	327,593,354	548 054,483	894,323,489	933,673,294	r940,604,903	982,415,018
Other investments	401,389,022	626,266,074	1,213,986,210	1,388,244,142	1,604,730,616	1,798,295,351
Depreciable assets	868,908,018	1,276,564,500	2,107,027,914	2,352,655,342	2,583,060,326	2,730,371,698
Less: Accumulated depreciation	334,646,086	483,798,526	767,841,763	857,772,979	942,704,683	1,024,756,282
Depletable assets	18,517,264	38,511,396	71,901,490	84,098,891	r94,149,731	107,958,232
Less: Accumulated depletion	6,774,796	14,501,561	19,569,556	21,816,569	29,442,570	32,682,172
Land	46,626,157	66,819,206	92,931,935	101,946,016	110,318,941	119,350,378
Intangible assets (amortizable)	12,818,168	12,823,183	45,480,694	55,131,152	81,178,989	87,852,590
Less: Accumulated amortization	5,984,184	4,491,990	18,393,037	20,451,969	24,869,273	25,062,592
Other assets	69,838,438	121,065,665	187,015,106	347,378,352	r361,635,417	474,727,482
Total liabilities	2,634,706,564	4,286,556,273	7,617,238,403	8,547,161,872	r9,354,138,695	10,201,084,144
Accounts payable	148,812,597	263,417,584	542,172,368	619,969,292	678,630,282	671,495,438
Mortgages, notes, and bonds payable in less than 1 year	170,884,261	272,123,551	504,802,288	585,947,678	667,060,956	759,536,076
Other current liabilities	892,218,397	1,577,425,991	2,706,796,360	2,859,839,215	r3,220,099,515	3,513,512,199
Loans from stockholders	24,573,814	38,143,936	85,718,510	107,229,417	117,424,462	131,025,956
Mortgages, notes, and bonds payable in 1 year or more	362,700,303	586,703,526	986,663,932	1,058,070,877	1,224,277,725	1,323,209,421
Other liabilities	283,106,029	451,676,880	846,696,691	1,072,164,634	r977,072,770	1,156,873,507
Capital stock	201,213,719	251,715,862	417,153,783	532,560,826	658,259,634	787,278,549
Paid-in or capital surplus	196,642,421	298,534,854	532,039,407	670,619,223	782,269,156	873,620,667
Retained earnings, appropriated	16,657,051	29,955,676	41,461,644	45,939,734	54,727,615	52,538,370
Retained earnings, unappropriated	349,225,750	537,631,026	1,027,902,049	1,124,012,345	1,173,094,293	1,221,793,087
Less: Cost of treasury stock	11,327,778	20,772,613	74,168,627	129,191,347	198,777,714	289,799,122
Total receipts	1,750,776,503	3,198,627,860	6,361,284,012	7,026,351,839	7,024,097,766	7,135,494,059
Business receipts	1,620,886,576	2,961,729,640	5,731,616,337	6,244,678,064	6,156,994,009	6,334,602,711
Interest on State and local Government obligations	3,775,917	6,711,606	12,620,876	13,881,460	14,124,877	16,667,263
Other interest	67,794,508	136,587,304	354,243,674	479,556,286	515,628,874	496,648,009
Dividends received from domestic corporations	5,238,421	8,818,282	18,654,800	17,442,112	18,155,559	19,696,776
Dividends received from foreign corporations	3,466,515	5,467,726	14,563,353	13,790,320	13,950,908	13,892,070
Rents	13,938,502	21,765,130	41,371,141	53,805,764	69,614,109	69,580,411
Royalties	2,586,387	5,167,141	12,450,250	13,716,872	13,437,404	13,876,095
Net short-term capital gain reduced by net long-term capital loss	190,439	301,601	2,013,510	2,178,572	2,882,207	5,048,854
Net long-term capital gain reduced by net short-term capital loss	5,481,580	8,364,523	24,910,957	29,064,630	26,318,184	33,924,549
Net gain, noncapital assets	5,315,562	7,757,287	20,117,615	16,639,271	20,992,023	26,134,711
Other receipts	22,102,096	35,957,620	128,721,498	141,598,493	171,999,616	105,422,613

Table 7. (Continued)—Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Selected Years, 1970-1983
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Items	1970	1975	1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)	(6)
Total deductions	1,682,778,847	3,052,674,597	6,125,365,155	6,813,841,356	r6,869,226,020	6,945,457,358
Cost of sales and operations	1,146,263,273	2,129,928,467	4,204,905,905	4,509,198,199	4,270,850,310	4,308,238,989
Compensation of officers	32,846,381	57,832,552	108,973,751	120,324,784	129,481,025	141,193,212
Repairs	13,986,819	23,422,171	42,407,967	70,289,424	72,524,061	74,652,495
Bad debts	6,479,814	13,781,147	18,769,771	22,286,815	r26,639,271	30,543,184
Rent paid on business property	23,842,355	40,769,829	71,990,832	82,412,276	94,917,540	104,717,965
Taxes paid	49,523,243	81,530,302	163,003,622	170,470,926	165,888,353	173,420,116
Interest paid	62,055,010	129,307,921	344,612,542	476,964,684	515,032,667	475,060,444
Contributions or gifts	797,029	1,202,130	2,358,554	2,514,425	2,906,476	3,626,605
Amortization	745,005	717,398	1,374,658	4,712,864	r3,774,896	4,309,952
Depreciation	52,941,266	86,295,664	157,345,828	166,195,048	213,179,160	241,491,819
Depletion	5,623,339	5,341,489	8,871,993	7,929,396	7,021,176	7,574,216
Advertising	18,089,097	26,605,786	52,266,004	60,094,601	64,987,632	72,393,870
Pension, profit-sharing, stock bonus, and annuity plans	12,225,912	26,526,129	51,529,310	52,952,583	54,232,011	54,355,062
Employee benefit programs	7,398,283	15,690,563	40,179,104	45,795,892	51,838,884	59,115,141
Net loss, noncapital assets	1,289,305	1,804,079	5,903,104	7,943,607	10,367,020	7,615,697
Other deductions	248,672,716	411,918,970	850,872,216	993,755,841	1,185,585,538	1,187,148,601
Total receipts less total deductions	67,997,656	145,953,263	235,918,858	212,510,484	r154,768,854	190,036,702
Constructive taxable income from related foreign corporations	1,679,875	3,395,169	15,708,560	15,019,938	13,628,716	14,944,490
Net income (less deficit)	65,901,614	142,636,826	239,006,542	213,648,962	r154,272,693	188,313,928
Net income	83,710,924	169,483,336	296,787,201	301,440,778	r274,291,492	296,932,146
Deficit	17,809,310	26,846,510	57,780,659	87,791,816	120,018,799	108,618,218
Income subject to tax	72,374,437	146,589,287	246,598,486	241,496,368	205,175,407	218,686,396
Income tax, total	33,293,018	66,144,308	105,142,436	102,257,851	86,766,154	92,218,567
Regular and alternative tax	32,949,937	65,769,822	103,831,172	100,644,417	85,077,493	90,461,858
Tax from recomputing prior-year investment credit	77,832	217,138	867,571	1,083,547	1,181,074	1,175,071
Tax from recomputing prior-year work incentive (WIN) credit	N/A	608	4,873	N/A	N/A	N/A
Additional tax for tax preferences	265,249	156,740	438,820	524,851	478,457	561,505
Foreign tax credit	4,548,986	19,987,724	r24,879,737	21,828,686	r18,932,390	19,951,165
U.S. possessions tax credit	N/A	N/A	1,565,681	1,945,637	2,026,980	1,583,007
Investment credit	865,954	6,459,746	15,102,812	18,887,286	17,342,890	16,145,173
Work incentive (WIN) credit	N/A	5,321	36,483	38,223	29,020	N/A
Jobs credit	N/A	N/A	601,444	472,895	r321,863	449,224
Nonconventional source fuel credit	N/A	N/A	2	*622	6,787	33,012
Alcohol fuel credit	N/A	N/A	4	*480	600	7,178
Research activities credit	N/A	N/A	N/A	639,302	839,220	1,277,474
Employees stock ownership credit	N/A	N/A	N/A	N/A	14,450	909,880
Orphan drug credit	N/A	N/A	N/A	N/A	N/A	*236
Distributions to stockholders: Cash and property except in own stock	32,012,677	45,224,392	97,378,617	120,295,338	r131,499,537	128,298,545
Corporation's own stock	1,922,810	2,066,559	3,525,549	3,634,323	3,642,024	4,810,283

See notes following Table 13.

Table 8. — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items by Industrial Division for Selected Years, 1970-1983
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industrial division and items	1970	1975	1980	1981	1982[1]	1983
	(1)	(2)	(3)	(4)	(5)	(6)
AGRICULTURE, FORESTRY AND FISHING						
Number of returns, total	37,283	56,280	80,883	85,370	91,320	92,125
Number with net income	19,843	33,328	43,827	44,948	47,858	47,636
Total assets	11,909,403	21,177,941	40,738,977	46,081,067	50,409,537	50,292,891
Total liabilities	7,897,335	14,332,992	29,278,042	32,492,648	36,289,615	36,733,559
Total receipts	14,277,707	28,118,514	52,089,915	65,061,959	65,356,911	59,208,642
Business receipts	13,591,763	26,624,149	48,850,056	60,907,045	60,643,550	55,114,507
Interest received	69,742	171,732	476,654	751,553	758,699	580,504
Total deductions	14,209,713	27,369,286	51,418,280	64,735,599	65,442,003	59,386,796
Cost of sales and operations	10,555,539	19,738,447	35,798,332	45,552,234	43,222,379	38,308,491
Interest paid	356,225	797,420	2,184,441	2,738,463	3,048,844	2,866,689
Net income (less deficit)	65,295	746,908	673,158	328,308	-86,418	-196,528
Net income, businesses w/profit	493,400	1,493,168	2,464,381	2,551,988	2,528,479	2,499,829
Deficit, businesses w/o profit	428,105	746,260	1,791,222	2,223,679	2,614,897	2,696,357
Income tax before credits	113,115	351,059	533,768	543,280	490,228	430,119
Total income tax after credits[2]	107,023	294,584	r422,356	414,448	375,422	313,537
Distributions to stockholders except in own stock	65,824	244,524	304,733	512,027	409,070	172,301
MINING						
Number of returns, total	14,465	14,242	25,576	33,363	36,676	37,066
Number with net income	7,303	8,297	12,698	17,634	15,950	15,526
Total assets	23,972,812	64,505,341	126,947,880	168,908,241	192,380,473	194,417,434
Total liabilities	10,590,991	31,739,651	72,879,732	98,442,207	112,503,993	108,814,378
Total receipts	17,747,750	65,909,994	176,672,390	200,194,751	203,098,557	132,419,750
Business receipts	16,699,586	63,670,496	167,397,918	189,552,446	191,152,749	122,510,903
Interest received	176,728	522,757	1,301,266	2,432,908	2,695,216	2,474,270
Total deductions	15,927,348	42,348,765	169,051,624	195,021,576	203,045,736	134,305,739
Cost of sales and operations	9,955,600	30,171,612	116,989,880	150,193,394	151,521,066	85,540,564
Interest paid	388,032	1,166,182	3,440,080	6,051,461	7,623,777	6,763,864
Net income (less deficit)	1,834,315	23,574,833	7,750,561	5,620,746	543,578	-1,586,098
Net income, businesses w/profit	2,399,507	24,347,893	10,133,685	10,611,609	8,429,100	5,929,343
Deficit, businesses w/o profit	565,192	773,060	2,383,124	4,990,863	7,885,522	7,515,441
Income tax before credits	1,031,550	11,361,037	3,947,569	4,119,612	3,203,406	2,100,692
Total income tax after credits[2]	342,928	1,051,138	r1,674,566	1,685,491	r1,282,044	722,353
Distributions to stockholders except in own stock	1,177,550	1,015,895	4,757,780	3,278,771	3,926,230	2,710,318
CONSTRUCTION						
Number of returns, total	138,905	191,219	272,432	276,395	282,345	283,519
Number with net income	82,078	108,852	150,368	145,206	138,783	150,138
Total assets	42,719,792	76,691,947	132,939,026	150,764,144	153,085,046	161,365,795
Total liabilities	30,900,188	57,662,870	100,112,852	113,695,252	114,150,550	119,825,113
Total receipts	90,610,644	146,955,117	267,205,356	280,172,375	281,747,868	290,798,843
Business receipts	88,945,385	143,412,715	260,387,692	270,543,236	271,633,721	280,896,210
Interest received	219,698	614,583	2,073,650	3,122,737	3,137,599	2,579,301
Total deductions	89,070,022	144,717,309	262,116,275	276,744,601	279,555,128	288,574,577
Cost of sales and operations	73,434,969	116,845,554	208,064,925	214,612,975	212,698,363	221,189,268
Interest paid	711,496	1,973,244	4,278,502	5,318,285	5,455,056	4,861,075
Net income (less deficit)	1,538,418	2,236,262	5,271,209	3,455,058	2,323,952	2,265,564
Net income, businesses w/profit	2,548,013	4,514,864	8,911,143	8,295,947	8,106,061	7,990,419
Deficit, businesses w/o profit	1,009,595	2,278,602	3,639,934	4,840,889	5,782,109	5,724,855
Income tax before credits	776,979	1,320,196	2,521,507	2,316,708	2,069,718	1,859,927
Total income tax after credits[2]	756,637	1,131,960	r1,973,659	1,868,113	r1,578,330	1,393,042
Distributions to stockholders except in own stock	299,204	464,553	793,764	889,557	916,690	846,579
MANUFACTURING						
Number of returns, total	197,807	217,354	242,550	251,294	259,106	261,927
Number with net income	120,814	136,839	153,640	149,964	146,415	152,304
Total assets	612,912,516	944,581,970	1,709,471,700	1,933,710,383	2,060,710,683	2,232,987,922
Total liabilities	303,989,223	501,994,296	960,284,926	1,085,493,079	1,163,839,539	1,279,879,180
Total receipts	722,952,890	1,296,359,650	2,404,323,844	2,613,512,581	2,488,331,915	2,552,830,718
Business receipts	700,090,661	1,258,338,650	2,301,056,550	2,487,695,859	2,357,973,059	2,418,344,305
Interest received	4,748,499	8,691,092	28,315,784	38,848,407	38,134,480	37,677,719
Total deductions	692,455,462	1,230,689,496	2,290,593,808	2,509,134,569	2,423,254,936	2,469,257,725
Cost of sales and operations	495,879,549	925,111,030	1,707,143,900	1,822,985,043	1,660,537,002	1,678,378,729
Interest paid	12,570,242	22,055,903	54,177,356	73,084,336	79,322,435	73,973,082
Net income (less deficit)	31,846,078	68,406,627	125,667,815	116,775,393	75,791,264	95,330,965
Net income, businesses w/profit	37,925,489	74,466,554	141,547,510	138,215,539	108,170,744	124,417,490
Deficit, businesses w/o profit	6,079,411	6,059,927	15,879,695	21,440,146	32,379,481	29,086,525
Income tax before credits	16,744,905	32,306,739	59,577,413	58,820,480	45,015,096	50,950,870
Total income tax after credits[2]	13,242,226	21,024,964	r32,729,629	30,115,496	r26,631,933	24,960,640
Distributions to stockholders except in own stock	14,616,282	19,973,061	37,306,509	41,434,134	43,912,134	43,295,90

Table 8. (Continued) — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items by Industrial Division for Selected Years, 1970-1983
[All figures are estimates based on samples — money amounts are in thousands of dollars]

Industrial division and items	1970	1975	1980	1981	1982[1]	1983
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns, total	67,398	80,701	111,324	109,127	115,470	122,567
Number with net income	38,204	45,360	62,232	56,480	59,793	61,588
Total assets	287,740,207	443,236,797	758,364,400	837,300,816	919,861,069	998,870,785
Total liabilities	166,535,185	266,792,390	467,708,707	516,438,230	566,980,444	604,586,653
Total receipts	135,495,271	243,480,637	523,807,396	598,507,994	632,294,442	657,421,487
Business receipts	131,463,171	234,689,427	507,372,820	575,602,089	606,039,657	627,836,585
Interest received	930,266	1,520,913	5,760,072	8,048,746	9,138,892	9,425,382
Total deductions	127,931,131	233,409,166	503,954,285	579,172,068	614,397,320	638,194,372
Cost of sales and operations	77,743,359	143,932,463	336,868,172	358,354,512	338,796,961	339,191,696
Interest paid	7,364,200	13,761,062	27,638,591	34,085,384	36,839,460	36,787,550
Net income (less deficit)	7,543,718	10,099,571	20,046,155	19,573,717	18,335,959	19,492,314
Net income, businesses w/profit.	9,471,595	12,088,189	24,917,293	25,739,287	27,378,633	28,040,349
Deficit, businesses w/o profit.	1,927,877	1,988,618	4,871,138	6,165,570	9,042,673	8,548,036
Income tax before credits	4,342,334	5,107,158	10,532,722	10,481,203	11,356,073	11,621,625
Total income tax after credits[2]	4,036,650	2,836,470	r5,322,655	5,065,529	4,925,936	5,429,973
Distributions to stockholders except in own stock	5,837,565	8,900,353	17,329,807	19,622,705	21,438,500	24,540,824
WHOLESALE AND RETAIL TRADE						
Number of returns, total	518,062	614,632	799,628	816,836	839,547	851,785
Number with net income	339,987	399,668	487,300	476,877	468,108	492,057
Total assets	192,181,800	323,496,726	646,901,005	708,060,408	753,351,132	804,242,963
Total liabilities	115,179,668	200,846,992	424,611,318	472,256,895	501,934,034	539,020,572
Total receipts	522,547,923	969,938,872	1,955,523,778	2,039,628,384	2,017,701,364	2,119,444,862
Business receipts	511,316,383	951,463,550	1,919,347,689	1,997,262,710	1,972,305,356	2,071,264,407
Interest received	1,291,906	3,857,318	10,503,989	14,319,277	14,373,589	14,522,800
Total deductions	512,910,193	947,511,780	1,919,454,218	2,006,891,471	1,989,739,286	2,084,482,953
Cost of sales and operations	392,391,856	745,299,204	1,538,128,634	1,594,256,679	1,556,263,179	1,626,952,423
Interest paid	4,309,663	8,587,173	25,645,855	30,997,865	30,429,310	27,598,584
Net income (less deficit)	9,671,044	22,489,430	38,309,671	33,320,403	28,442,678	35,292,870
Net income, businesses w/profit.	12,395,411	27,681,721	49,426,500	47,657,374	45,747,936	50,844,081
Deficit, businesses w/o profit.	2,724,367	5,192,291	11,116,829	14,336,971	17,305,258	15,551,210
Income tax before credits	4,476,047	8,103,316	13,515,653	12,329,212	11,372,087	12,910,870
Total income tax after credits[2]	4,237,181	7,348,619	r10,552,250	10,282,598	r9,422,188	10,653,391
Distributions to stockholders except in own stock	2,068,501	5,029,897	10,343,087	10,034,841	12,069,015	12,722,120
FINANCE, INSURANCE AND REAL ESTATE						
Number of returns, total	406,235	411,846	493,426	469,795	461,630	479,656
Number with net income	248,586	243,409	273,853	258,622	252,689	269,267
Total assets	1,401,153,520	2,321,965,956	4,022,206,073	4,486,191,441	4,987,466,401	5,487,225,439
Total liabilities	1,204,673,072	2,052,195,429	3,491,664,756	3,830,001,863	4,220,527,191	4,670,418,974
Total receipts	177,321,173	315,795,981	697,460,846	877,808,946	949,867,877	902,822,472
Business receipts	92,091,887	157,126,715	256,892,475	330,631,846	337,493,098	362,627,365
Interest received	63,694,046	127,040,303	315,146,115	421,159,015	456,333,537	439,387,426
Total deductions	161,630,060	297,963,817	652,637,787	838,764,803	915,164,762	856,678,689
Cost of sales and operations	48,434,362	84,614,209	129,644,330	162,447,596	169,435,694	172,818,057
Interest paid	34,548,509	77,677,659	219,167,684	314,128,780	340,960,344	310,356,963
Net income (less deficit)	12,214,079	11,663,330	33,122,792	26,346,494	21,804,088	31,714,771
Net income, businesses w/profit.	15,081,939	18,825,003	46,040,390	53,018,005	57,745,075	601,135,503
Deficit, businesses w/o profit.	2,867,860	7,161,673	12,917,599	26,671,510	35,940,986	28,398,732
Income tax before credits	4,404,449	5,558,647	9,680,755	7,968,422	7,643,631	8,540,701
Total income tax after credits[2]	4,150,009	4,673,705	r7,699,628	6,037,489	r5,497,808	5,696,723
Distributions to stockholders except in own stock	7,387,211	8,729,977	24,692,146	41,998,295	46,504,963	41,592,101
SERVICES						
Number of returns, total	281,218	435,672	671,338	752,813	819,706	848,394
Number with net income	180,525	249,641	408,716	441,100	472,799	481,888
Total assets	61,875,140	90,534,067	178,163,737	213,724,531	237,876,895	269,797,251
Total liabilities	42,346,078	63,678,693	125,298,224	152,673,683	170,091,510	195,086,592
Total receipts	69,572,626	131,377,364	279,883,187	346,846,723	380,767,394	416,462,427
Business receipts	66,459,515	125,747,462	266,088,619	328,053,889	355,090,610	392,064,594
Interest received	435,070	875,506	3,269,412	4,696,008	5,120,807	4,596,725
Total deductions	68,384,452	127,996,443	271,792,974	338,790,049	373,717,841	410,486,562
Cost of sales and operations	37,733,747	63,724,869	129,352,692	157,886,393	135,273,962	143,277,759
Interest paid	1,802,802	3,279,438	8,033,612	10,472,892	11,265,412	11,798,141
Net income (less deficit)	1,198,703	3,396,744	8,193,903	8,197,916	7,199,258	6,002,928
Net income, businesses w/profit.	3,384,869	6,025,592	13,246,601	15,182,552	16,061,222	16,959,225
Deficit, businesses w/o profit.	2,186,166	2,628,848	5,052,698	6,984,635	8,861,964	10,956,298
Income tax before credits	1,058,264	1,625,093	3,497,265	4,029,725	3,885,618	3,779,735
Total income tax after credits[2]	1,003,130	1,323,637	r2,617,889	2,943,149	r2,613,020	2,673,706
Distributions to stockholders except in own stock	558,452	855,402	1,841,945	2,491,324	3,269,285	2,407,362

See notes following Table 13.

Table 9.—Gross Internal Revenue Collections: Amount Collected by Quarter and Fiscal Year, 1982-1986
[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return					
	Total	Individual income taxes[1]	Corporation income taxes[2]	Excise taxes[3]	Employment taxes[4]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1982 TOTAL	632,241	352,609	65,991	36,779	168,718	8,143
October 1981 - December 1981	137,570	71,526	15,898	10,577	37,654	1,915
January 1982 - March 1982	154,128	85,930	14,722	9,426	41,751	2,299
April 1982 - June 1982	196,506	113,852	23,115	8,389	49,165	1,986
July 1982 - September 1982	144,036	81,301	12,256	8,387	40,148	1,943
FISCAL YEAR 1983 TOTAL	627,247	349,628	61,780	35,766	173,848	6,226
October 1982 - December 1982	132,205	70,312	13,404	8,498	38,404	1,588
January 1983 - March 1983	150,019	86,853	11,494	8,222	41,930	1,519
April 1983 - June 1983	194,431	111,721	22,027	8,947	50,219	1,516
July 1983 - September 1983	150,591	80,742	14,855	10,097	43,294	1,602
FISCAL YEAR 1984 TOTAL	680,475	362,892	74,179	38,017	199,210	6,177
October 1983 - December 1983	141,849	73,379	16,208	9,654	41,132	1,476
January 1984 - March 1984	164,681	89,316	14,337	8,862	50,545	1,622
April 1984 - June 1984	208,814	114,525	25,990	9,680	57,061	1,558
July 1984 - September 1984	165,131	85,672	17,644	9,822	50,472	1,521
FISCAL YEAR 1985 TOTAL	742,871	396,659	77,413	37,005	225,214	6,580
October 1984 - December 1984	155,919	79,775	17,546	9,732	47,286	1,580
January 1985 - March 1985	176,324	89,325	17,350	8,650	59,352	1,647
April 1985 - June 1985	233,946	136,141	24,843	9,013	62,313	1,636
July 1985 - September 1985	176,682	91,418	17,674	9,610	56,263	1,717
FISCAL YEAR 1986						
October 1985 - December 1985	167,836	86,608	18,854	9,321	51,354	1,699
January 1986 - March 1986	186,178	97,804	16,243	8,175	62,309	1,647
April 1986 - June 1986	240,680	134,129	25,703	8,191	70,687	1,970

See notes following Table 13.

Table 10.—Internal Revenue Refunds: Amounts Refunded by Quarter and Fiscal Year, 1982-1986
[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total	Individual income taxes[1]	Corporation income taxes[2]	Excise taxes[3]	Employment taxes[4]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1982 TOTAL	75,202	55,102	17,974	367	1,578	181
October 1981 - December 1981	5,530	1,347	3,920	42	185	37
January 1982 - March 1982	24,024	19,338	4,197	76	377	36
April 1982 - June 1982	35,793	30,481	4,298	163	796	54
July 1982 - September 1982	9,855	3,936	5,559	86	220	53
FISCAL YEAR 1983 TOTAL	89,761	61,198	26,012	493	1,849	208
October 1982 - December 1982	9,411	1,875	7,030	58	397	52
January 1983 - March 1983	23,928	16,548	6,838	108	372	62
April 1983 - June 1983	46,715	38,341	7,421	194	721	38
July 1983 - September 1983	9,705	4,434	4,723	133	359	56
FISCAL YEAR 1984 TOTAL	85,872	64,629	17,889	657	2,486	211
October 1983 - December 1983	7,201	2,064	4,548	195	325	69
January 1984 - March 1984	25,285	19,613	4,850	129	646	47
April 1984 - June 1984	44,859	38,161	5,452	230	968	47
July 1984 - September 1984	8,527	4,790	3,039	103	547	48
FISCAL YEAR 1985 TOTAL	86,320	66,908	16,725	892	1,605	190
October 1984 - December 1984	6,729	2,246	4,177	122	138	46
January 1985 - March 1985	17,664	12,808	4,286	91	439	40
April 1985 - June 1985	52,376	46,370	4,701	556	702	47
July 1985 - September 1985	9,551	5,484	3,561	123	326	57
FISCAL YEAR 1986						
October 1985 - December 1985	7,948	3,003	4,268	128	488	61
January 1986 - March 1986	25,895	19,950	4,997	320	577	51
April 1986 - June 1986	50,200	44,375	5,058	232	435	100

See notes following Table 13.

Table 11.—Classes of Excise Taxes by Selected Fiscal Year, 1970-1986
[Money amounts are in thousands of dollars]

Selected class of tax	Taxes collected by fiscal year					
	1970	1975	1980	1983	1984	1985
	(1)	(2)	(3)	(4)	(5)	(6)
ALCOHOL TAXES, TOTAL	4,746,382	5,350,858	5,704,768	5,634,853	5,402,467	5,398,100
Distilled spirits	3,501,538	3,865,162	3,945,377	3,798,148	3,566,482	3,520,697
Wine	163,337	177,113	211,538	239,329	319,920	305,966
Beer	1,081,507	1,308,583	1,547,853	1,597,375	1,516,064	1,571,436
TOBACCO TAXES, TOTAL	2,094,212	2,315,090	2,446,416	4,139,810	4,663,610	4,483,193
Cigarettes	2,036,101	2,261,116	2,402,857	4,099,226	4,623,288	4,448,916
Cigars	56,834	51,226	39,500	33,716	30,372	24,294
MANUFACTURERS EXCISE TAXES, TOTAL	6,683,061	5,516,611	6,487,421	6,776,023	r10,107,930	10,020,574
Gasoline and lubricating oil[1]	3,517,586	4,071,465	4,326,549	4,953,267	9,020,413	9,062,630
Tires, tubes and tread rubber[2]	614,795	697,660	682,624	677,966	423,315	242,923
Motor vehicles, bodies, parts[3]	1,753,327	662,556	1,088,696	516,872	-14,777	N/A
Recreational products	53,427	84,946	136,521	132,672	132,448	166,666
Black Lung taxes	N/A	N/A	251,288	490,731	525,422	548,356
SPECIAL FUELS, AND RETAILERS TAXES, TOTAL[4]	257,820	404,187	560,144	831,196	r2,579,747	3,802,608
Diesel and special motor fuels	257,712	370,489	512,718	742,380	1,571,437	2,430,165
Trucks and buses	N/A	N/A	N/A	N/A	932,645	1,289,750
MISCELLANEOUS EXCISE TAXES, TOTAL	2,084,730	3,306,077	6,359,198	19,228,685	r13,319,322	11,044,833
Telephone and teletype[5]	1,469,562	2,023,744	1,117,834	1,048,317	2,034,965	2,307,607
Air transportation	250,802	850,567	1,748,837	1,898,786	2,456,712	2,589,818
Highway use tax	135,086	207,663	263,272	287,457	175,054	456,143
Foreign insurance[6]	8,614	19,458	74,630	-44,440	56,037	73,494
Exempt organization net investment income	N/A	63,828	65,280	112,380	146,806	136,153
Crude oil windfall profit	N/A	N/A	3,051,719	15,660,081	8,120,274	5,073,159
Environmental taxes (Superfund)	N/A	N/A	N/A	235,954	275,389	272,957

Selected class of tax	Fiscal year quarter ending					
	Mar. 1985	June 1985	Sept. 1985	Dec. 1985	Mar. 1986	June 1986 (Preliminary)
	(7)	(8)	(9)	(10)	(11)	(12)
ALCOHOL TAXES, TOTAL	1,239,795	1,238,983	1,620,598	1,115,975	1,567,328	1,569,703
Distilled spirits	859,709	752,229	1,020,068	776,644	1,048,523	1,012,792
Wine	60,328	58,927	81,341	77,478	138,732	88,688
Beer	319,758	427,826	519,189	261,853	380,073	468,224
TOBACCO TAXES, TOTAL	1,601,544	914,703	1,239,589	816,606	1,246,160	1,165,802
Cigarettes	1,593,363	907,627	1,228,581	810,418	1,237,089	1,154,727
Cigars	5,683	4,261	8,966	3,651	7,315	8,844
MANUFACTURERS EXCISE TAXES, TOTAL	2,547,693	2,651,955	2,299,302	2,148,292	2,525,371	2,850,438
Gasoline and lubricating oil[1]	2,321,565	2,389,356	2,050,740	1,890,306	2,275,074	2,605,913
Tires, tubes and tread rubber[2]	51,885	64,634	74,666	76,050	74,557	60,246
Motor vehicles, bodies, parts[3]	-236[7]	3,744	N/A	N/A	N/A	N/A
Recreational products	23,944	56,960	41,750	46,855	41,697	42,455
Black Lung taxes	138,546	125,087	132,146	135,080	134,042	141,825
SPECIAL FUELS AND RETAILERS TAXES, TOTAL[4]	r915,536	1,001,597	1,007,787	931,944	979,041	906,929
Diesel and special motor fuels	583,945	631,603	666,130	642,800	650,678	666,448
Trucks and buses, chassis, bodies, etc.	312,982	340,502	317,985	268,615	309,123	222,441
MISCELLANEOUS EXCISE TAXES, TOTAL	r1,838,961	2,751,198	3,747,992	4,557,274	4,622,109	3,565,175
Telephone and teletype[5]	530,468	649,170	606,749	556,278	633,066	590,082
Air transportation	640,055	683,413	618,678	717,665	665,993	623,037
Highway use tax	49,293	78,167	225,423	53,447	135,774	99,743
Foreign insurance[6]	14,958	20,462	19,197	21,075	29,059	64,354
Exempt organization net investment income	11,537	58,396	51,566	26,073	55,476	71,659
Crude oil windfall profit	498,450	1,189,069	2,096,218	3,079,427	3,062,418	2,035,442
Environmental taxes (Superfund)	65,902	65,458	71,182	68,538	n.a.	n.a.

See notes following Table 13.

Table 12. —Selected Returns and Forms Filed During Selected Calendar Years, 1970-1987

Type of return or form	Calendar Year						
	Number Filed						1987 Projected (Preliminary)
	1970	1975	1980	1984	1985	1986	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Individual income	77,281,384	84,026,785	93,196,076	96,651,754	99,704,246	102,652,000	105,679,000
Form 1040	77,143,251[1]	61,450,279	55,360,030	61,185,893	64,010,068	66,398,000	68,682,000
Nonbusiness	68,129,351[1]	51,377,153	43,957,141	47,411,432	49,873,300	51,905,000	53,724,000
Business	9,013,900	10,073,126	11,402,889	13,774,461	14,136,768	14,492,000	14,959,000
Schedule C	6,351,304	7,438,968	8,944,298	11,326,739	11,767,348	12,115,000	12,566,000
Schedule F	2,662,596	2,634,158	2,458,591	2,447,722	2,369,420	2,377,000	2,393,000
Form 1040A	(1)	22,462,776	37,692,282	19,590,110	18,779,084	18,919,100	19,320,000
Form 1040EZ	N/A	N/A	N/A	15,720,860	16,739,767	17,182,200	17,524,100
Other[2]	138,133	113,730	143,764	154,891	175,327	153,000	153,000
Corporation income	1,758,600	2,132,758	2,675,704	3,166,715	3,437,249	3,577,000	3,698,000
Forms 1120, L, and M	1,487,244	1,762,920	2,115,542	2,453,162	2,432,265	2,524,000	2,599,000
Form 1120A	N/A	N/A	N/A	N/A	199,665	207,000	213,000
Form 1120S	248,936	367,219	528,070	653,640	736,945	769,000	802,000
Other[3]	1,414	2,619	32,092	59,913	68,374	76,000	84,000
Partnership, Form 1065	991,904	1,132,839	1,401,567	1,675,605	1,755,339	1,807,000	1,870,000
Fiduciary, Form 1041	1,149,445[4]	1,558,570	1,876,392	2,012,954	2,124,969	2,161,000	2,220,000
Estate Tax, Forms 706 and 706NA	141,156	225,827	147,303	81,334	80,768	68,000	50,000
Gift Tax, Form 709	146,338	273,184	214,789	88,991	97,720	101,000	114,000
Exempt Organization	387,469	403,809	442,607	399,987	454,097	474,000	491,000
Form 990	377,030[5]	346,627	362,632	319,859	365,506	381,000	395,000
Form 990-PF	N/A	29,637	33,137	29,107	32,005	34,000	34,000
Form 990-T	5,046	19,683	23,455	25,115	26,181	28,000	29,000
Forms 990C, 4720, and 5227	5,393	7,862	23,383	25,906	30,405	32,000	33,000

See notes on following Table 13.

Table 13. —Taxpayers Receiving Assistance, Paid and Unpaid, by Tax Year of Return, 1982-1985
[Some estimates are based on samples—all data are in thousands]

Type of assistance	Tax Year		
	1983	1984[1]	1985[1]
	(1)	(2)	(3)
Returns with paid preparer signature[2]:			
All returns	43,258	45,220	46,903
1040EZ	694	728	744
1040A	5,144	4,470	4,409
1040, total	37,421	40,022	41,750
1040 Business, total	9,563	10,081	10,195
Nonfarm	7,764	8,288	8,435
Farm	1,800	1,793	1,760
1040 Nonbusiness, total	27,858	29,941	31,555
With itemized deductions	16,475	17,866	19,400
Without itemized deductions	11,383	12,075	12,155
Assistance provided by IRS[3]:			
Telephone inquiries	42,212	41,904	38,195
Recorded telephone information	3,406	8,307	7,850
Office walk-ins, information	8,963	8,144	8,114
Written inquiries	163	160	241
Special programs:			
Community classes and seminars (taxpayers assisted)	313	400	374
Volunteer Income Tax Assistance (VITA) (returns prepared)	285	295	302
Tax Counseling for the Elderly (returns prepared)	185	199	333

See notes on following page.

General notations

N/A - Not applicable

n.a. - Not available

p - Preliminary

r - Revised

Table 1

[1] Includes total itemized deductions, charitable contributions for nonitemizers, and zero bracket amounts on nonitemized returns.

[2] Includes surcharge of $2,018,078,000.

[3] Includes credits not shown separately below.

[4] For Tax Year 1983, the alternative minimum tax was revised and the minimum tax was abolished. The revised alternative minimum tax starting with 1983 covered many of the tax preference items that had previously been subject to the minimum tax. Also, the alternative minimum tax rate was increased. (For 1983 and 1984, data on the former minimum tax could be reported on prior-year returns processed during the current-year filing period).

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 2

[1] Includes exemptions for age and blindness.

[2] Totals in Table 2 do not agree with Tables 1 and 3 because they were obtained from a different source. For purposes of Table 2:

a. Number of returns by state include, in addition to Forms 1040, 1040A and 1040EZ filed by U.S. citizens and residents, Forms 1040NR filed by nonresident aliens, as well as self-employment tax returns used in Puerto Rico and certain U.S. territories and possessions.

b. "Total tax" liability includes total income tax plus tax from recomputing prior-year investment credit, tax applicable to Individual Retirement Arrangements (IRA's), self-employment tax, social security tax on tip income, and certain other income-related taxes. Total tax is before reduction by earned income credit (see also footnote (c), below).

c. Earned income credit, available to certain low-income workers, could result in a refund (1) if there was no "total tax" (as defined in footnote (b), above), in which case the full amount was refundable, or (2) if the credit exceeded "total tax," in which case the excess was refundable. The difference between columns 19 and 21 is the refundable portion.

Total tax (column 16) minus earned income credit (column 21) is the amount most comparable to total tax in Tables 1 and 3. The total tax which results from this subtraction differs from Tables 1 and 3 because it includes additional taxes (see footnote (b), above) and because earned income credit used to offset tax (column 21) also includes amounts offset against these additional taxes.

[3] Includes, for example, returns filed from Army Post Office and Fleet Post Office addresses by servicemen and women stationed overseas; returns filed by other U.S. citizens abroad; and returns filed by residents of Puerto Rico with income from sources outside Puerto Rico or with income earned as U.S. Government employees.

NOTE: This table presents aggregates of all returns filed and processed through the Individual Master File (IMF) system during Calendar Year 1985. Data have not been edited for Statistics of Income purposes.

SOURCE: Internal Revenue Service, Software Division, IMF Returns Systems Branch.

Table 3

[1] Includes income tax after credits and the additional tax for tax preferences, i.e., minimum tax and alternative minimum tax.

[2] For many taxpayers in this size class includes additional tax for tax preferences not included in "taxable income."

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 4

[1] Includes breakeven businesses.

SOURCE: Statistics of Income--Sole Proprietorship Returns, appropriate years, and SOI Bulletin, Summer issues. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 5

[1] Total assets, total liabilities and partners' capital account are somewhat understated because not all partnership returns included a complete balance sheet.

[2] Short-term debt is the abbreviated title given to mortgages, notes and bonds payable in less than 1 year.

[3] Long-term debt is the abbreviated title given to mortgages, notes and bonds payable in 1 year or more. In addition, for Tax Year 1975, long-term debt included nonrecourse loans.

[4] See footnote 4 Table 6, for changes in the comparability of the statistics for receipts and deductions starting with 1981. Also, statistics for interest received are combined with dividends beginning with 1982.

[5] Beginning with 1981, represents the more all-inclusive amounts reported in depreciation computation schedules rather than the amounts reported as the depreciation deduction (plus depreciation identified in cost of sales and operations schedules).

SOURCE: Statistics of Income--Partnership Returns, appropriate years, and SOI Bulletin, Summer issues. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of law changes.

Table 6

[1] Size classes are based on business receipts, i.e., gross amounts from sales and operations, for industries except finance, insurance and real estate. For the latter industries, total receipts, which is the sum of business receipts and investment income, was used. For partnerships, see also footnote 3, below.

[2] Includes returns with no receipts as defined in footnote 1.

[3] Includes corporations with zero assets and liabilities.

[4] Beginning with 1981, "total receipts" in Table 5 includes, in part, only the net income or loss from farming and rentals. Previously, "total receipts" included the gross receipts from farming and rentals and, if rental receipts were the principal source of total receipts, they were treated as "business receipts" for the statistics. To help minimize the break in comparability caused by this change in statistical treatment of farm and rental income, an effort was made for 1981-82 to include rental (though not farm) gross receipts in the receipts used for the size distribution in Table 6.

In Table 5, since only the net income or loss from farming and rentals was included starting with 1981, the deductions reported in computing these net incomes are excluded from the deduction statistics. For previous years, these deductions are reflected in the deduction statistics.

[5] Prior to 1979, partnerships that had liquidated were assumed to have zero assets and liabilities, even if their balance sheets showed otherwise, and were included in the "under $25,000" asset size class. Beginning with 1980, balance sheet data reported for liquidated partnerships were tabulated as reported and were included in the appropriate asset size classes.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years, Statistics of Income--Partnership Returns, appropriate years, Statistics of Income--Sole Proprietorship Returns, appropriate years, and SOI Bulletin, Summer issues. Tax law changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of law changes.

Table 7

[*] Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Included in "Number of returns, total" and "Number with net income."

[2] Corporations with no more than 10 shareholders (35 beginning with 1983), most of them individuals, electing to be taxed at the shareholder level.

[3] Domestic International Sales Corporations were taxed through parent corporations when profits were distributed or deemed distributed to them.

[4] Includes dividends reported in combination with interest on Form 1120-S by Small Business Corporations electing to be taxed through shareholders. The combined amount totalled $2,044,206,000. Based on prior years, when Form 1120-S required each to be reported separately, nearly all of the combined amount represents interest.

[5] Includes a surcharge of $784,437,000.

NOTES: Detail may not add to totals because of rounding.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of law changes.

Table 8

[1] Revisions shown in Table 8 for total assets, total liabilities, net income (less deficit), net income, total income tax after credits and distributions to stockholders except in own stock, were not tabulated by industry.

[2] Includes additional tax for tax preferences (minimum tax), tax from recomputing prior year investment credit and Personal Holding Company tax.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years. Data are subject to sampling error. Tax law changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of law changes.

Tables 9 and 10

[1] Individual income tax collected includes that portion which was designated for the presidential election campaign fund by taxpayers on their returns. Also included is the fidiciary income tax collected (from estates and trusts). Fidiciary income tax collected was $4.1 billion in 1985, $2.9 billion in 1984, $2.7 billion in 1983, and $2.6 billion in 1982. Presidential election campaign designations amounted to $34.8 million in 1985 and 1984, $35.5 million in 1983, and $39.0 million in 1982.

[2] Corporation income tax collected includes the tax on "unrelated business income" of tax-exempt organizations. Unrelated business income tax collected was $69.8 million (1985), $50.0 million (1984), $45.1 million (1983), and $64.7 million (1982).

[3] Excise taxes are imposed on selected products, services and activities, such as those on alcohol and tobacco products and the windfall profit tax on domestically-produced crude oil.

[4] Employment taxes include payroll taxes levied on salaries and wages, such as social security, railroad retirement and unemployment taxes; plus the self-employment tax imposed on "self-employment income".

NOTES: Collections (or refunds) are those made during the time periods indicated, regardless of the year or other period during which the tax liability was incurred (or to which the refund applied).

Collections represent the gross amounts before refunds and include amounts paid with the return; prior to filing the return (as applicable, income tax withheld by employers and estimated tax payments); and subsequent to filing the return (chiefly the result of initial return processing or of examination and enforcement activities). Collections also include interest and penalties.

Refunds result chiefly from tax overpayments determined at time of filing a return. Included are amounts subsequently determined as due the taxpayer as a result of an amended return or a claim for refund (including those produced by "net operating loss" and other carryback adjustments from future taxable years); or as a result of initial return processing or of examination and other activities. Individual income tax refunds are net of offsets under a law which requires IRS to act as collection agent for state welfare agencies so that these agencies can be reimbursed for the support they furnished through Aid to Families with Dependent Children (AFDC) programs. All refund data include interest paid by IRS.

Detail may not add to totals because of rounding.

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

Table 11

[1] Includes a one-time tax of 5 cents per gallon on gasoline and 4 cents per gallon on gasohol imposed on inventories of dealers as of April 1, 1983. Taxes on lubricating oil were repealed effective January 5, 1983.

[2] Effective January 1, 1984, taxes on tubes and tread rubber were repealed, and dealers holding taxable tires were assessed a one-time floor stock tax.

[3] Effective January 7, 1983, the excise taxes on parts and accessories for trucks and buses, which are included in this classification, were repealed. Beginning with the quarter ending December 1983, motor vehicles are excluded.

[4] Special fuels, total includes diesel and special motor fuels which were classified as miscellaneous excise taxes in 1970. Beginning with the quarter ending December 1983, motor vehicles are included.

[5] Effective January 1, 1983, the excise tax increased from 1 percent to 3 percent.

[6] The negative amounts are due to refunds of this tax under the United States - United Kingdom Income Tax Treaty, which provides for an exemption from the tax retroactive to January 1, 1975. Also, a similar United States - France treaty provides for an exemption retroactive to January 1, 1979.

[7] This amount reflects adjustments made for prior quarters.

NOTES: For 1970 and 1975, the fiscal year was defined as July of the previous calendar year through June of the year noted. For 1980-84, the fiscal year was defined as October of the previous calendar year through September of the year noted.

Correction of errors that occurred in the Fiscal Year 1982 data (previously published in the SOI Bulletin) for three classes of excise taxes (Manufacturers, Special Fuels and Retailers, and Miscellaneous) follows:

Selected class of tax	1982 (As published)	1982 (As corrected)
	[Money amounts in thousands]	
MANUFACTURERS EXCISE TAXES, TOTAL.....	6,382,900	6,382,900
Gasoline and lubricating oil.....	4,320,856	4,320,856
Tires, tubes and tread rubber.....	668,902	616,785
Motor vehicles, bodies bodies, parts.....	914,524	884,845
Recreational products..	158,054	131,288
Black Lung taxes.....	237,097	426,620
SPECIAL FUEL, AND RETAILERS TAXES, TOTAL...	587,486	628,625
Diesel and special motor fuels.....	553,107	598,840
MISCELLANEOUS EXCISE TAXES, TOTAL.....	19,773,803	24,813,053
Telephone and teletype.	998,503	919,749
Air transportation.....	1,326,829	1,154,818
Highway use tax.....	266,225	257,329
Foreign insurance.....	74,882	68,276
Exempt organization net investment income.....	84,045	93,188
Crude oil windfall profit.....	16,930,548	22,035,927
Environmental taxes (Superfund).....	61,264	252,903

Additional detail is published in the Annual Report of the Commissioner and Chief Counsel, Internal Revenue Service.

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

Table 12

[1] Form 1040A included with Forms 1040; separate count of Form 1040A not available.

[2] Includes Forms 1040C, 1040NR, 1040PR, and 1040SS.

[3] Includes Forms 1120F, 1120 POL, and 1120H.

[4] Includes Form 1041A.

[5] Includes Form 990A.

SOURCE: Internal Revenue Service, Research Division, Projections and Forecasting Group.

Table 13

[1] Estimates of returns with paid assistance for 1984 and earlier years are based on the full-year sample of returns used for Statistics of Income--Individual Income Tax Returns. The earlier estimate for 1984 was derived in the same manner as the estimate shown for 1985. For 1985, the estimates are projections based on an extrapolation of the 1985 Taxpayer Usage Study (TPUS) sample to the equivalent of the Statistics of Income (SOI) sample. The TPUS sample includes returns filed only through April 1986, while the SOI sample includes returns filed during the entire calendar year. For additional information about the TPUS sample, see the Summer 1986 issue of the SOI Bulletin.

[2] 1984 projections are based on converting 1984 Taxpayer Usage Study sample (TPUS) to the equivalent of the Statistics of Income (SOI) sample. This was done because the TPUS sample represents returns filed through April, while the SOI sample represents all individual income tax returns filed for a calendar year. For additional information about the TPUS sample, see the Summer 1985 issue of the SOI Bulletin.

[3] Data on IRS Taxpayer Service Programs are collected on a fiscal-year basis. In general, assistance rendered in a given fiscal year may be related to returns due on April 15th during the fiscal year and are for the tax year ending with the previous December. Therefore, data in Table 13, which are presented on a tax year basis are actually for a fiscal year, e.g., data shown as for Tax Year 1982 are actually for Fiscal Year 1983.

NOTE: Data on IRS assistance represent taxpayer contacts. Some taxpayers make more than one contact. The number of taxpayers assisted (in contrast to the number of contacts made) is not known.

SOURCE: Data on paid preparers obtained from Statistics of Income and Taxpayer Usage Study samples. Data on IRS assistance were compiled by the Taxpayer Service Division.

Appendix*

General Description of Statistics of Income Sample Procedures and Data Limitations

This appendix discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation, and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports (see References). More technical information is available, upon request, by writing to the Director, Statistics of Income Division, Internal Revenue Service, Washington, DC 20224.

SAMPLE CRITERIA AND SELECTION OF RETURNS

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. The samples are based on such criteria as: industry, presence or absence of a return form schedule, accounting period, state from which filed and various income factors or other measures of economic size (such as total assets in the case of corporations).

The probability of a return being designated depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints based on the allowable total cost or predetermined size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master File based on the taxpayer identification number (TIN) which is either the social security number (SSN) or the employer identification number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise it is counted (for estimation purposes) but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TIN's designed from one year's sample are for the most part selected for the next year's, so that a very high proportion of the returns selected in the current sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from one year to the next.

METHOD OF ESTIMATION

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. Weights are, in general, computed by dividing the count of returns filed for a given stratum by the count of sample returns for that same stratum. "Weights" are used to adjust for the various sampling rates used--the lower the rate, the larger the weight.

The data on each return in a stratum are then multiplied by that weight. To produce the tabulated estimates, these weighted data are summed to produce the published statistical totals.

SAMPLING VARIABILITY

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the

*Compiled by Bettye Jamerson, Coordination and Publications Staff, under the direction of Robert Wilson, Team Leader. Major contributions were made by Paul McMahon, Corporation Statistics Branch, *Operations* Section.

same sample design. Estimates derived from the different samples usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In SOI reports the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in decimal form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its coefficient of variation to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 0.02, then the following arithmetic procedure would be followed to construct a 68 percent confidence interval estimate:

150,000	(sample estimate)
x 0.02	(coefficient of variation)
= 3,000	(standard error of estimate)
150,000	(sample estimate)
+ or - 3,000	(standard error)
= 147,000-153,000	(68% confidence interval)

Based on these data, the interval estimate is from 147 to 153 thousand returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds of all possible similarly selected samples. To obtain this interval estimate with 95 percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Further details concerning confidence intervals, including the approximation of CV's for combined sample estimates, may be obtained on request by writing the Director, Statistics of Income Division.

Generally in the SOI Bulletin only conservative upper limit CV's are provided for frequency estimates. These do, however, provide a rough guide to the order of magnitude of the sampling error.

NONSAMPLING ERROR CONTROLS AND LIMITATIONS

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors, processing errors, and effects of an early cut-off of sampling. More extensive information on nonsampling error is presented in SOI reports, when appropriate.

In transcribing and tabulating the information from the returns or forms selected for the sample, checks are imposed to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during statistical "editing" in order both to improve data consistency from return to return and to achieve definitions of the data items that are more in keeping with the needs of major users. In some cases not all of the data are available from the tax return as originally filed. Sometimes the missing data can be obtained through field followup. More often though, they are obtained through imputation methods. As examples, other information in the return or in accompanying schedules may be sufficient to enable an estimate to be made; prior-year data for the same taxpayer may be used for the same purpose; or data from another return for the same year that has similar characteristics may be substituted. Research to improve methods of imputing data that are missing from returns continues to be an ongoing process [1].

Quality of the basic data abstracted from the returns is subjected to a number of quality control steps including 100-percent key verification. The data are then subjected to many tests based on the structure of the tax law and the improbability of various data combinations. Records failing these tests are then subjected to further review and any necessary corrections are made. In addition, the Statistics of Income Division in the National Office conducts an independent reprocessing of a small subsample of statistically-processed returns as a further check.

Finally, before publication, all statistics are reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing and estimating.

TABULAR CONVENTIONS

Estimates of frequencies and money amounts that are considered unreliable due to the small sample size on which they are based are noted by an asterisk (*) to the left of the data item(s) in the tabulations. The presence of an asterisk indicates that the sample rate is less than 100 percent of the population and there are fewer than 10 sample observations available for estimation purposes.

A dash in place of a frequency or amount indicates that no sample return had that characteristic. In addition, a dash in place of a coefficient of variation for which there is an estimate indicates that all returns contributing to the estimate were selected at the 100-percent rate.

Whenever a weighed frequency in a data cell is less than 3, the estimate is either combined with other cells or deleted in order to avoid disclosure of information about individual taxpayers or businesses [3]. These combinations and deletions are indicated by a double asterisk (**).

NOTES

[1] For an example of the recent SOI Division research, see Hinkins, S., "Matrix Sampling and the Effects of Using Hot Deck Imputation," in 1984 Proceedings: American Statistical Association, Section on Survey Research Methods p. 245. Other research efforts are included in Statistical Uses of Administrative Records: Recent Research and Present Prospects, Volume I, pages 179-184, Internal Revenue Service, March 1984.

[2] Quality control activities for all SOI studies will be published in a series of forthcoming reports. These reports will provide detailed information relating to quality in all phases of SOI processing.

[3] In the case of geographic statistics, steps to avoid disclosure are taken when a weighted frequency is less than 10.

REFERENCES

For information about the samples used for specific SOI programs see:

Individual Income Tax Returns, 1983, Tables emphasizing returns filed, sources of income, exemptions, itemized deductions and tax computations (see especially page 3).

Statistics of Income--1982, Corporation Income Tax Returns (see especially pages 9-15).

Statistics of Income--1978-82, Partnership Returns (see especially pages 237-244).

Statistics of Income--1979-83, Compendium of Studies of International Income and Taxes, Foreign Income and Taxes Reported on U.S. Tax Returns (see information about the samples used at the end of each chapter)

Statistics of Income Bulletin (see each issue).

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